

office box rents in said town; to the Committee on the Post Office and Post Roads.

Also, petition of citizens of Hazleton, Pa., for enactment of House bill 14, providing for a general parcel-post system; to the Committee on the Post Office and Post Roads.

Also, memorial of the Chamber of Commerce of San Diego County, protesting against House bills 11372 and 20576, to prohibit the towing of log rafts or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

By Mr. TAGGART: Petition of citizens of the State of Kansas, for enactment of House bill 21225; to the Committee on Agriculture.

By Mr. TAYLOR of Alabama: Petition of Birmingham Division, No. 186, Order of Railway Conductors, for enactment of the proposed employers' liability and workmen's compensation act; to the Committee on the Judiciary.

By Mr. WILLIS: Petition of S. A. McNeil and 15 other citizens of Richwood, Ohio, asking for the passage of House bill 23107, granting an increase of pension to John C. Babbs; to the Committee on Invalid Pensions.

Also, petition of Frank S. Ansley and 15 other veterans of the Spanish-American War, of Kenton, Ohio, asking for the passage of House bill 17470, to pension widows and minor children of any officers or enlisted men who served in the War with Spain or the Philippine insurrection; to the Committee on Pensions.

By Mr. WILSON of New York: Petition of the Stationers' Board of Trade, relative to proposed patent legislation; to the Committee on Patents.

Also, petition of the North Side Board of Trade, for improvement of a certain portion of Harlem River; to the Committee on Rivers and Harbors.

Also, petition of Brooklyn Council, No. 23, Daughters of America, for incorporation of a literacy test in the immigration laws; to the Committee on Immigration and Naturalization.

Also, memorial of the National Grange, for a governmental system of postal express; to the Committee on Interstate and Foreign Commerce.

SENATE.

THURSDAY, April 25, 1912.

The Senate met at 2 o'clock p. m.

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

The Journal of yesterday's proceedings was read and approved.

FINDINGS OF THE COURT OF CLAIMS.

The VICE PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting certified copies of the findings of fact and conclusions of law filed by the court in the following causes:

Clara J. Scott, widow of William Scott, deceased, *v.* United States (S. Doc. No. 613);

Lucinda Shanks *v.* United States (S. Doc. No. 612);

Mark H. Sherman *v.* United States (S. Doc. No. 611);

William N. Shibley *v.* United States (S. Doc. No. 610);

Sylvester M. Snell *v.* United States (S. Doc. No. 609);

Harley S. Sprague *v.* United States (S. Doc. No. 608);

Ella K. Piatt, widow of Don Piatt, deceased, *v.* United States (S. Doc. No. 607);

Alexander Sholl *v.* United States (S. Doc. No. 606); and

John T. Taylor *v.* United States (S. Doc. No. 605).

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 19212) making appropriation for the Diplomatic and Consular Service for the fiscal year ending June 30, 1913.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 1647. An act to amend an act entitled "An act to increase the limit of cost of certain public buildings, to authorize the purchase of sites for public buildings, to authorize the erection and completion of public buildings, and for other purposes";

H. R. 8784. An act to supplement the act of June 22, 1910, entitled "An act to provide for agricultural entries";

H. R. 12211. An act to amend the act of February 18, 1909 (25th Stats. L., 626), entitled "An act to create the Calaveras Big Tree National Forest, and for other purposes";

H. R. 12623. An act to incorporate the American Numismatic Association;

H. R. 18792. An act for the relief of homestead entrymen under the reclamation projects in the United States;

H. R. 20286. An act authorizing the fiscal court of Pike County, Ky., to construct a bridge across Russell Fork of Big Sandy River;

H. R. 20491. An act authorizing the Secretary of the Interior to grant further extension of time within which to make proof on desert-land entries;

H. R. 21170. An act granting to El Paso & Southwestern Railroad Co., a corporation organized and existing under the laws of the Territory and State of Arizona, a right of way through the Fort Huachuca Military Reservation, in the State of Arizona, etc.;

H. R. 21960. An act to authorize the Port Arthur Pleasure Pier Co. to construct a bridge across the Sabine-Neches Canal, in front of the town of Port Arthur; and

H. R. 22642. An act providing for the protection of the interests of the United States in lands and waters comprising any part of the Potomac River, the Anacostia River, the Eastern Branch, and Rock Creek, and lands adjacent thereto.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a petition of the Woman's Christian Temperance Union of Sparta, Ill., praying for the adoption of an amendment to the Constitution to prohibit the manufacture, sale, and importation of intoxicating liquors, which was referred to the Committee on the Judiciary.

He also presented a memorial of sundry representatives of the remaining Pokagon Tribe of Pottawatomie Indians, of Michigan and Indiana, remonstrating against the so-called Chicago Harbor project, which was referred to the Committee on Commerce.

Mr. WETMORE presented resolutions adopted by the committee of conference of the Rhode Island State Federation of Women's Clubs, favoring the appointment of a Federal commission on industrial relations, which were referred to the Committee on Education and Labor.

Mr. WORKS. I present two short telegrams in the nature of memorials, which I ask may lie on the table and be printed in the RECORD without reading.

There being no objection, the telegrams were ordered to lie on the table and to be printed in the RECORD, as follows:

[Telegram.]

LOS ANGELES, CAL., April 24, 1912.

HON. JOHN D. WORKS,

United States Senate, Washington, D. C.:

Regret committee reported Owen bill favorably. Consider bill even as amended serious menace to liberty of people in United States. Would be entering wedge for other objectionable and harmful legislation of like character. Hope you will do all in your power to defeat it.

THOS. EARLEY,

Chairman Los Angeles County Highway Commission.

[Telegram.]

SAN FRANCISCO, CAL., April 24, 1912.

United States Senator JOHN D. WORKS,

Senate Chamber, Washington, D. C.:

I am opposed to the Owen bill, because it gives official countenance and support to one school or branch of medicine and because the position of that school is uncertain and chaotic, its conclusions and practice continuously changing, as is demonstrated by the medical history of the past decade.

D. C. FARNHAM, D. O.,

Past President California Osteopathic Association.

Mr. WORKS presented a memorial of the Chamber of Commerce of San Diego County, Cal., remonstrating against the enactment of legislation to prohibit the towing of log rafts or lumber rafts through the open sea, which was referred to the Committee on Commerce.

Mr. GALLINGER presented a memorial of Local Grange No. 204, Patrons of Husbandry, of Charlestown, N. H., remonstrating against the enactment of legislation to permit the coloring of oleomargarine in imitation of butter, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of Local Grange No. 204, Patrons of Husbandry, of Charlestown, N. H., praying for the establishment of a parcel-post system, which was referred to the Committee on Post Offices and Post Roads.

Mr. HITCHCOCK presented a memorial signed by 3,000 citizens of Nebraska, remonstrating against the passage of the so-called Owen bill to create a bureau of public health, which was ordered to lie on the table.

He also presented a petition of Custer Center Grange, Patrons of Husbandry, of Custer County, Nebr., praying for the

enactment of legislation to provide for the general welfare and to regulate commerce with foreign countries and between the several States and to increase and enlarge the facilities and efficiency of the Post Office Department, which was referred to the Committee on Post Offices and Post Roads.

He also presented memorials of sundry citizens of Pleasant Dale and Wisner, in the State of Nebraska, remonstrating against the enactment of legislation to permit the coloring of oleomargarine in imitation of butter, which were referred to the Committee on Agriculture and Forestry.

He also presented a petition of the congregation of the First Congregational Church of Red Cloud, Nebr., praying for the enactment of an interstate liquor law to prevent the nullification of State liquor laws by outside dealers, which was referred to the Committee on the Judiciary.

He also presented memorials of sundry citizens of Weeping Water and Crete, in the State of Nebraska, remonstrating against the establishment of a department of public health, which were ordered to lie on the table.

Mr. POMERENE. I present a number of petitions in the form of letters and telegrams from citizens and labor organizations of Ohio, praying for the passage of the so-called employers' liability and workmen's compensation bill, which I ask may lie on the table and be noted in the RECORD.

There being no objection, the petitions were ordered to lie on the table and to be noted in the RECORD, as follows:

From M. O'Connor, of Corning; Frank Apathy, of Cleveland; Brotherhood of Locomotive Engineers, Division No. 36, of Newark; August Belmont, chairman department on compensation for industrial accidents and their prevention of the National Civic Federation; Brotherhood of Locomotive Engineers, Division of Cleveland; Brotherhood of Locomotive Engineers, Division of Ashtabula; William M. Brown, of Columbus; J. A. Davidson, of Cleveland; Brotherhood of Locomotive Engineers, Division of Gallion; F. De Muth, secretary of International Association of Machinists of Cleveland; Brotherhood of Locomotive Engineers, Division of Collinwood; W. E. Dunigan, of Cleveland; E. F. Edeburn, of Akron; Brotherhood of Locomotive Engineers, Division of Toledo; Brotherhood of Locomotive Engineers, Divisions of Chillicothe and Corning; R. T. Hirsch, of Columbus; H. E. Jamison, of Cleveland; Order of Railway Conductors of Newark; E. L. Mitchell, of Cleveland; Frank Needham, of Cleveland; Order of Railway Conductors, Division No. 14, of Cleveland; Brotherhood of Railroad Trainmen, Lodge No. 432, of Akron; Emil Pfeifer, of Akron; P. Tecumseh Sherman, of New York City, N. Y.; J. W. Snyder, of Akron; John Sweeney, of Lima; H. E. Wills, of Washington, D. C.; H. G. Wilson, of Cleveland; Brotherhood of Railway Trainmen, Lodge No. 425, of Cleveland; Brotherhood of Railway Trainmen, Lodge No. 397, of Toledo; James Steward, of Corning; B. J. Nichols, of Corning; J. E. Rodgers; Arthur Thoxton, of Corning; Brotherhood of Locomotive Engineers, Division of Collinwood; Brotherhood of Locomotive Engineers, Division of Cincinnati; Brotherhood of Locomotive Engineers, Divisions of Ashtabula and Toledo; and of Brotherhood of Railway Trainmen Lodges of Bellevue, Mansfield, Bradford Junction, Massillon, Lorain, Wellsville, Columbus, Middleport, Ashtabula Harbor, and Ironton, Ohio.

Mr. GRONNA presented a petition of sundry citizens of Manning, N. Dak., praying that an investigation be made into the prosecution of the editors of the Appeal to Reason, which was referred to the Committee on Education and Labor.

He also presented a memorial of sundry citizens of Jessie, N. Dak., remonstrating against the extension of the parcel-post system beyond its present limitations, which was referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of Subdivision No. 695, Brotherhood of Locomotive Engineers, of Minot, N. Dak., remonstrating against the passage of the so-called employers' liability and workmen's compensation bill, which was ordered to lie on the table.

Mr. PENROSE. I present a large number of memorials from representatives of organized labor and employees of industrial establishments in the country remonstrating against the passage of the bill (H. R. 18642) to reduce duties on metals and manufactures of metals. I ask that the memorials be noted in the RECORD and referred to the Committee on Finance.

There being no objection, the memorials were referred to the Committee on Finance and ordered to be noted in the RECORD, as follows:

From 5,646 employees of the Jones & Laughlin Steel Co., of Pittsburgh, Pa.;

From 415 employees of the West Penn Steel Co., of Brackenridge, Pa.;

From 252 employees of the Canonsburg Steel & Iron Works, of Canonsburg, Pa.;

From 68 employees of the Washington Tin Plate Co., of Washington, Pa.;

From 72 chain makers of Carlisle, Pa.;

From 1,127 employees of steel mills in the State of Pennsylvania;

From 98 employees of the Standard Chain Co., of Brad-dock, Pa.;

From 377 steel workers of Leechburg, Pa.;

From 121 steel workers employed in the State of Pennsylvania;

From 351 steel workers in the State of Pennsylvania;

From 663 employees of the Hamilton Watch Co., of Lancaster, Pa.;

From 294 employees of the N. & G. Taylor Co., of Cumberland, Md.;

From 126 employees of the cutlery industry in the borough of Winsted, Conn.;

From 794 employees of the Keystone Watch Case Co. employed at its New York Standard Watch Factory, Jersey City, N. J.;

From 203 employees of the Keystone Watch Case Co. at its E. Howard Watch Factory, Waltham, Mass.;

From 175 employees of the Berger Manufacturing Co.;

From 253 employees in the pocket-cutlery industry, Ellenville, N. Y.;

From 128 business men and citizens of Parkersburg, W. Va.;

From 125 employees of the Robeson Cutlery Co., of Perry, N. Y.;

From 46 employees in the pocket-cutlery industry of Napo-noch, N. Y.;

From 131 employees of steel companies of Holyoke, Mass.;

From 717 employees of the Phillips Sheet & Tin Plate Co., Clarksburg Works, Clarksburg, W. Va.;

From 342 steel workers of Middletown, Ohio;

From 87 employees of the Columbus Chain Co., of Columbus, Ohio;

From 48 employees of the Woodhouse Chain Works, of Tran-
ton, N. J.;

From 118 chain makers and chain-factory employees of Wapa-
koneta, Ohio;

From 57 employees of the Cleveland Chain & Manufacturing
Co., of Cleveland, Ohio;

From 212 employees of the Carnahan Tin Plate & Sheet Co.,
of Canton, Ohio;

From 71 employees of the Massillon Rolling Mill Co., of Mas-
sillon, Ohio;

From 589 employees of the Phillips Sheet & Tin Plate Co., of
Weirton, W. Va.;

From 289 employees of the Pope Tin Plate Co., of Steuben-
ville, Ohio;

From 192 employees of the Seneca Iron & Steel Co., of Buf-
falo, N. Y.;

From 182 members of National Amalgamated Association of
Iron, Steel, and Tin Workers, of Columbus, Ohio;

From 322 employees of the Youngstown Iron & Steel Co., of
Youngstown, Ohio;

From 198 employees of the Parkersburg Iron & Steel Co., of
Parkersburg, W. Va.;

From 154 employees of the McCullough Iron Co., of Wilming-
ton, Del.;

From 521 employees of Follansbee Bros. Co., of Follansbee,
W. Va.; and

From 1,522 employees of the Inland Steel Co., Chicago, Ill.

Mr. NELSON presented a petition of members of the Com-
mercial Club of Little Falls, Minn., praying for the adoption of
a 1-cent letter postage, which was referred to the Committee
on Post Offices and Post Roads.

He also presented a memorial of sundry citizens of Tyler,
Minn., remonstrating against the enactment of legislation to
limit the effect of the regulation of interstate commerce between
the States in goods, wares, and merchandise wholly or in part
manufactured by convict labor or in any prison or reformatory,
which was referred to the Committee on the Judiciary.

Mr. ROOT presented a petition of sundry citizens of North
Rose, N. Y., praying for the establishment of a governmental
system of postal express, which was referred to the Committee
on Post Offices and Post Roads.

Mr. CRANE presented a petition of the congregation of the
Second Congregational Church, of Dorchester, Mass., praying
for the enactment of an interstate-liquor law to prevent the
nullification of State liquor laws by outside dealers, which was
referred to the Committee on the Judiciary.

Mr. PERKINS presented a memorial of members of the Sierra
Club, of San Francisco, Cal., remonstrating against any change
being made in the western boundary of the Yosemite National
Park, which was referred to the Committee on Public Lands.

He also presented resolutions adopted by the California Wholesale Grocers' Association, favoring the enactment of legislation to prevent the manufacture, sale, or transportation of adulterated or misbranded goods, which were referred to the Committee on Manufactures.

He also presented a petition of J. J. Cahill Camp, No. 52, Department of California, United Spanish War Veterans, of Chico, Cal., praying for the enactment of legislation to pension widow and minor children of any officer or enlisted man who served in the War with Spain or the Philippine insurrection, which was referred to the Committee on Pensions.

He also presented a memorial of the Chamber of Commerce of San Diego County, Cal., remonstrating against the enactment of legislation to prohibit the towing of log rafts or lumber rafts through the open sea, which was referred to the Committee on Commerce.

Mr. CLAPP (for Mr. LA FOLLETTE) presented a memorial of sundry citizens of Kewaunee County, Wis., remonstrating against the enactment of legislation to permit the coloring of oleomargarine in imitation of butter, which was referred to the Committee on Agriculture and Forestry.

He also (for Mr. LA FOLLETTE) presented a petition of members of the Commercial Club of Superior, Wis., praying for the enactment of legislation to exempt from tolls all American ships passing through the Panama Canal engaged in coastwise traffic, which was referred to the Committee on Interoceanic Canals.

He also (for Mr. LA FOLLETTE) presented a memorial of sundry citizens of Edgerton, Wis., remonstrating against the extension of the parcel-post system beyond its present limitations, which was referred to the Committee on Post Offices and Post Roads.

He also (for Mr. LA FOLLETTE) presented a memorial of sundry citizens of Beloit, Wis., remonstrating against the enactment of legislation compelling the observance of Sunday as a day of rest in the District of Columbia, which was ordered to lie on the table.

He also (for Mr. LA FOLLETTE) presented a memorial of the Grundy Beet Growers' Association, remonstrating against any reduction of the duty on sugar, which was referred to the Committee on Finance.

He also (for Mr. LA FOLLETTE) presented a petition of sundry citizens of Green Bay, Wis., praying for the passage of the so-called eight-hour bill, which was ordered to lie on the table.

He also (for Mr. LA FOLLETTE) presented a petition of members of the faculty of the State Normal School of Whitewater, Wis., and resolutions adopted by the Wisconsin School of Arts and Home Economics Association, in convention at Eau Claire, Wis., favoring the enactment of legislation providing for vocational education, which were ordered to lie on the table.

REPORTS OF COMMITTEES.

Mr. JONES, from the Committee on Military Affairs, to which was referred the amendment submitted by himself on the 2d instant, proposing to appropriate \$25,750 for a target range for Vancouver Barracks, Wash., intended to be proposed to the sundry civil appropriation bill, reported favorably thereon, and moved that it be printed, and, with the accompanying papers, referred to the Committee on Appropriations, which was agreed to.

He also, from the same committee, to which was referred the bill (S. 5608) providing for the abandonment of the Vashon Island Military Reservation, in the State of Washington, and for other purposes, reported it with an amendment and submitted a report (No. 662) thereon.

Mr. BRISTOW, from the Committee on Military Affairs, to which was referred the bill (S. 1792) to correct the military record of Adam D. Shriner, reported it with amendments and submitted a report (No. 659) thereon.

He also, from the same committee, to which was referred the bill (H. R. 17937) authorizing the Secretary of War to pay a cash reward for suggestions submitted by employees of certain establishments of the Ordnance Department for improvement or economy in manufacturing processes or plant, reported it without amendment and submitted a report (No. 660) thereon.

He also, from the same committee, to which was referred the bill (S. 2667) to remove the charge of desertion from the military record of Benjamin Ipock, submitted an adverse report (No. 667) thereon, which was agreed to, and the bill was postponed indefinitely.

Mr. DU PONT, from the Committee on Military Affairs, to which was referred the bill (S. 6244) to restore Capt. Harold L. Jackson, retired, to the active list of the Army, reported it with an amendment and submitted a report (No. 661) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 3459) for the relief of Erskine R. K.

Hayes, reported it with amendments and submitted a report (No. 663) thereon.

Mr. SANDERS, from the Committee on Military Affairs, to which were referred the following bills, submitted adverse reports thereon, which were agreed to, and the bills were postponed indefinitely:

S. 3743. A bill providing for the honorable discharge of Thomas B. Kirk (Rept. No. 664);

S. 2503. A bill to amend and correct the military record of Henry H. Willis (Rept. No. 665); and

S. 3941. A bill for the relief of Samuel C. Rowe (Rept. No. 666).

STEAMERS "SYRACUSE" AND "BOSTON."

Mr. OLIVER. From the Committee on Commerce, I report back favorably without amendment the bill (H. R. 22580) to authorize the change of the names of the steamers *Syracuse* and *Boston*, and I submit a report (No. 658) thereon. I call the attention of the junior Senator from Michigan [Mr. TOWNSEND] to the bill.

Mr. TOWNSEND. I ask for the present consideration of the bill just reported by the Senator from Pennsylvania.

The VICE PRESIDENT. The bill will be read for the information of the Senate.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

MISSISSIPPI RIVER LEVEES.

Mr. PERCY. From the Committee on Commerce, I report back favorably with an amendment the joint resolution (S. J. Res. 102) relative to the rebuilding of certain levees on the Mississippi River and its tributaries, and I request immediate consideration.

The VICE PRESIDENT. The joint resolution will be read for information.

The Secretary read the joint resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. CULLOM. I desire to offer an amendment, which the Senator from Mississippi accepts.

The VICE PRESIDENT. The Chair will first ascertain whether there is objection to the present consideration of the resolution. Is there objection to its present consideration?

Mr. SMOOT. I was not in the Chamber, or at least I was otherwise occupied, when the Secretary began to read the joint resolution. Is it a House or a Senate joint resolution?

Mr. CULLOM. It is a Senate joint resolution.

Mr. PERCY. It was introduced in the House and in the Senate, but this is a Senate joint resolution.

Mr. SMOOT. It proposes to appropriate one million and a half dollars to be taken out of an appropriation that is expected to be made in the river and harbor bill?

Mr. PERCY. The present river and harbor bill, which has passed the House, carries an appropriation of three and one-half million dollars, and this simply enables a million and a half of the amount which may be carried by that bill to be used at once.

Mr. SMOOT. It is virtually a loan, is it not?

Mr. PERCY. It is an anticipation of the appropriation to that extent, for immediate emergency work.

Mr. CLARKE of Arkansas. Mr. President, the regular appropriation for the improvement of the Mississippi River provided for by the existing act amounts to about \$3,500,000. At the time the bill was prepared in the House and passed there the usual amount was included. Since that time the overflows of the Mississippi River have developed, and it is necessary that some part of that money shall be used before the bill can become a law in the regular course. The effect of passing this joint resolution is not to increase the appropriation at all, but to make the money available a few weeks earlier than otherwise would be the case.

Mr. SMOOT. Do I understand the Senator to say that it is the intention to increase the appropriation made by the House?

Mr. CLARKE of Arkansas. Not by this joint resolution.

Mr. SMOOT. If this is virtually an advance, it will come out of the \$3,500,000 appropriated by the House for this purpose.

Mr. CLARKE of Arkansas. The effect of the resolution will not be to increase the appropriation a single cent, but it allows the use of the money some weeks in advance of the passage of the river and harbor bill, it being necessary to close up certain gaps in levees in order to prevent what is known as the June rise from inundating that country again and interfering with navigation.

Mr. SMOOT. I supposed the condition was rather critical on the Mississippi River, and that some movement must be

made that generally would not be considered by the Senate. If it were not for that, Mr. President, I think it is a very dangerous way of legislating.

Mr. CLARKE of Arkansas. It is an unusual way, because the conditions are unusual.

Mr. SMOOT. That is what I noticed and what I stated.

Mr. GALLINGER. I will inquire if this is a report from the committee?

The VICE PRESIDENT. It is.

Mr. PERCY. It is a report from the committee—a unanimous report.

Mr. GALLINGER. From the Committee on Commerce?

Mr. PERCY. From the Committee on Commerce.

The VICE PRESIDENT. No objection is heard to the present consideration of the joint resolution, and it is before the Senate as in Committee of the Whole. The committee reports an amendment, which will be stated.

The SECRETARY. On page 2, line 21, strike out the words "the mouth of the Ohio River" and insert the words "Cape Girardeau," so that if amended it will read:

For improving the Mississippi River from Head of Passes to Cape Girardeau.

The amendment was agreed to.

Mr. CULLOM. I offer the following amendment, which the Senator from Mississippi accepts. In line 9, after the word "rivers," I move to insert the words "or so materially weakened as to necessitate rebuilding."

The amendment was agreed to.

Mr. HEYBURN. Mr. President, I desire to inquire as to the effect of this measure. We have no copy of the joint resolution available. I only speak from my recollection of its contents as it was read. Does this not in effect assure this item of appropriation when that bill comes into the Senate? Does not the recital here in effect bind the Senate to accede to that item in the appropriation bill when it comes in?

Mr. PERCY. That would probably be the natural consequence. The item for the Mississippi River has never been stricken out in the Senate in all the course of the river and harbor bills which have come before the Senate.

Mr. HEYBURN. Well, it carries an assurance of two things. First, that there will be a river and harbor bill. Suppose that bill fails? Then this appropriation will have been made against the general funds in the Treasury, and the provision for a repayment or a charging against that item would be nugatory. I am not opposed to the appropriation of this money. I only want to see if I understand that it is in conformity with the method of appropriating money. I have sent for a copy of the joint resolution. I have not seen it.

Mr. CULLOM. Here is a copy.

Mr. HEYBURN. Now I have a copy of the joint resolution. If the Senate will indulge me for a moment, I will see how that language reads. The preamble, of course, will go out of the joint resolution.

That the Secretary of War be, and he is hereby, authorized and directed to rebuild, by contract or otherwise, in accordance with such plans, specifications, and recommendations of the Mississippi River Commission as may be approved by the Chief of Engineers, such portions of the levees on the Mississippi River and its tributaries as may have been or may hereafter be broken by the existing flood in said rivers, and the sum of \$1,500,000, or so much thereof as may be necessary, is hereby appropriated for this purpose out of funds remaining in the Treasury not otherwise appropriated.

That is the complete appropriation bill down to that point. It lacks nothing. Then comes the proviso:

Provided, That the Secretary of War shall keep an account of the actual cost—

Of course, he would do that anyhow—

of all work done under the provisions of this resolution, and upon completion of the work he shall report the total cost thereof to the Secretary of the Treasury, and the Secretary of the Treasury shall cause a sum equal to the cost so reported to be deducted from the unexpended balance of appropriations that may hereafter be made for improving the Mississippi River from Head of Passes to the mouth of the Ohio River, and to be carried to the surplus fund and covered into the Treasury.

The appropriation is complete, in my judgment. It is doubtless proper to make it, because these levees have been broken, the damage has been done, and it is perfectly proper to amend them, but we are going to run into a legislative snag in the event that the river and harbor bill does not come here or does not pass.

Mr. CLARKE of Arkansas. That would only minimize the evil effect of failing to pass the river and harbor bill.

Mr. HEYBURN. Why not leave it stand at that point, and then when we come to another river and harbor appropriation take that into consideration and diminish it to that extent?

Mr. PERCY. The trouble, I will say to the Senator, is that it was thought there would be less opposition to the measure in this shape, because it will be simply an anticipation of that ap-

propriation. There is no possible difficulty about it, if the presumption is correct that at this session or a subsequent session Congress will certainly pass a river and harbor bill.

I realize the force of what the Senator from Idaho says, that the ordinary method would be simply to make this a clean-cut appropriation, without reference to future deductions, and in passing a river and harbor bill not to subtract that amount from it.

Mr. HEYBURN. If it appeals to the conscience of any Senator at all that this appropriation should be made, he would vote for it just as readily without regard to the proviso. If it is one of those conditions arising out of extraordinary circumstances which requires an appropriation to protect the people, I would vote for it, and I think any other Senator would vote for it, as an original proposition, but I do not want to mortgage the river and harbor bill. I do not want one item to be guaranteed before the bill comes into the Senate, and then perhaps no other item ever be incorporated in the bill. You are mortgaging a bill in which the whole country is interested—the river and harbor bill—for this one item. I shall cheerfully vote for it upon such information as we have generally in order to protect those levees, but I would not like to reach forward into the future with the possibility of creating some embarrassment.

Mr. CLARKE of Arkansas. Mr. President, the objection indicated by the Senator from Idaho is one of form merely. If this joint resolution shall be passed by both Houses and approved by the President, it will be an affirmative appropriation of a million and a half dollars for the purpose of repairing the damage done by the lower Mississippi River. When we come to consider the river and harbor bill we can deduct this amount from the items contained in that bill, if it should pass, or we might perhaps direct the accounting officer of the Treasury to do it. It is a mere matter of form. The substance is to have a certain amount of money available at this time to repair as quickly as possible and as effectively as possible damages wrought in that great valley.

Mr. HEYBURN. The Senator from Arkansas will find himself confronted with this difficulty—

Mr. CLARKE of Arkansas. What would be the difficulty?

Mr. HEYBURN. It might be so interpreted at the Treasury Department that, inasmuch as this appropriation is to be paid out of another appropriation, if the appropriation out of which it is to be paid never materialize, then this enactment would be void. You have the ruling of another branch of the Government to contend with.

Mr. CLARKE of Arkansas. I should think there is sufficient language in the joint resolution to provide for a present appropriation of a million and a half dollars and giving direction as to how it shall be done. If the Senator from Idaho will trust us, who have had charge of the matter and who know the present character of the calamity that has befallen that valley, we will give him our assurance that nothing of that kind will happen. There is no trick about it; there is no disposition to complicate the fiscal affairs of the Government nor to otherwise take any advantage of the confidence of the Senate.

Mr. HEYBURN. That is a matter over which Senators could have no control. The suggestion that came into my mind as this was being read was this: There has gone out through the newspapers and through other sources of information and political scandal a statement that the river and harbor bill is to be killed. We are all interested in it; we have great rivers in our section of the country that ought to be provided for, and we would not like to see some one particular item protected by anticipatory legislation and then have the bill killed.

Mr. CLARKE of Arkansas. There is no such danger, in my opinion; there is no possibility of it; at all events, that bill never could fail by a failure of the Senators on this side of the Chamber to give it their earnest support. The Senators who represent the Mississippi Valley are not asking and would not assume to ask for this appropriation if they harbored any such intention as that indicated by the Senator from Idaho.

Mr. HEYBURN. What objection is there to allowing this appropriation to stand as it reads down to the word "*Provided*," in line 13?

Mr. CLARKE of Arkansas. If there is anything in the joint resolution which the Senator from Idaho thinks objectionable, after leaving the appropriation and directing how it shall be expended, he is at liberty to strike it out.

Mr. SMOOT. Mr. President, if we are going to strike out the proviso, then I shall object to the consideration of the joint resolution.

Mr. CLARKE of Arkansas. I am sure the joint resolution has been carefully prepared, and I think it is properly safeguarded. A Senator who is as shrewd an interpreter of lan-

guage as the Senator from Idaho is recognized to be might find objections to the form adopted, but not to the substance.

Mr. HEYBURN. My objection is to the substance; I do not object to the form of it. Certainly I am not posing as a critic of language, but I am objecting to the substance.

Mr. CLARKE of Arkansas. The Senator's entire objection is based on an imaginary foundation. There is no such possibility.

Mr. HEYBURN. I would merely suggest to the Senator from Arkansas that he refrain from such insinuations as that, because it will not forward his cause at all.

Mr. CLARKE of Arkansas. Well, I will modify that if the Senator will suggest a fact stated in the joint resolution that is not based upon a very firm foundation, as I understand the situation.

Mr. HEYBURN. A Senator is privileged to state his opinion in regard to legislation here without being charged with ignorance or folly.

Mr. CLARKE of Arkansas. The Senator from Idaho has entirely misunderstood me if he thought I charged him with either. I intended to create the impression that the rumors that had reached the Senator's ears were not sufficiently tangible to justify the belief that the river and harbor bill was going to fail at this session of Congress.

Mr. HEYBURN. Well, now, I wonder if any Senator would take the responsibility of saying that he would undertake to guarantee that a river and harbor bill would be passed at this session of Congress?

Mr. CLARKE of Arkansas. If it were necessary to do that, I would assume that responsibility, because I think there is no possible doubt about it.

Mr. HEYBURN. I was only speaking from information which is given out.

Mr. PERCY. Mr. President—

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Mississippi?

Mr. HEYBURN. I do.

Mr. PERCY. Mr. President, I sincerely hope the Senator from Idaho will not see fit to insist upon his objection, and I will explain the reason for the form of the joint resolution. The idea that the earnest support which should be given by those interested in the Mississippi River appropriation to the river and harbor bill in the Senate will be in any way weakened by this appropriation, or anticipation of a part of that appropriation, is entirely without foundation, as will be realized when I say that that bill will carry probably from three to four million dollars for the improvement of the Mississippi River in addition to the million and a half provided for in this resolution. The particular form here adopted was simply adopted in order that the passage of the measure might be expedited and in order to carry assurance that no additional appropriation was being imposed by this emergency resolution, but merely a right to anticipate an appropriation which in every reasonable probability will be carried in the river and harbor bill.

The reason that made haste in the matter urgent is based, briefly stated, on these conditions: Thirteen breaks or crevasses have occurred in the line of the levee along the Mississippi River—one in Missouri, one in Illinois, one in Tennessee, and the others in Mississippi, Louisiana, and Arkansas. Through these crevasses there are rushing rivers in proportion to the size of the respective crevasses; for instance, the Salem crevasse, in Louisiana, is discharging into the country back of the levees a river more than a mile wide, with an average depth of 18 feet. The floods have swept away houses, have destroyed millions of dollars worth of property and hundreds of lives, and have rendered homeless, it is estimated, more than 100,000 people, the great majority of whom are being cared for to-day by Government rations. The ordinary course of the Mississippi River is for this flood to be succeeded by a river within its banks, and thereafter what is known as the "June rise" comes, which reaches this section of the river about the 1st of July.

Mr. NELSON. Mr. President, will the Senator from Mississippi yield to me for a moment?

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Minnesota?

Mr. PERCY. Certainly.

Mr. NELSON. I desire to say to the Senator from Idaho [Mr. HEYBURN] that the House has passed the general river and harbor bill and it has been before our committee in the Senate for over three weeks. We have been holding hearings on it, but it will probably take some time before that general bill can be reported and passed. This is an emergency joint resolution, and whatever is appropriated in the joint resolution will come out of the general appropriation for the Mississippi River in the river and harbor bill. Therefore I trust the Senator from Idaho, in the goodness of his heart—and it is gener-

ally good—will withdraw his opposition, so that we may dispose of the joint resolution now.

Mr. WARREN and Mr. WILLIAMS addressed the Chair.

The VICE PRESIDENT. To whom does the Senator from Idaho yield?

Mr. HEYBURN. I yield to the Senator from Wyoming.

Mr. WARREN. I desire to ask the proponents of the measure a question. I notice in the joint resolution the amount appropriated; and so forth; I also notice an amendment which the Senator from Mississippi intends to propose to the river and harbor bill, which provides that not less than \$3,500,000 shall be expended for emergency work on the Mississippi River, and also that there shall be appropriated \$12,000,000 for contract work—

Mr. PERCY. Yes; but not for emergency work.

Mr. WARREN. What is the relation between the two? Does one in any way take the place of the other?

Mr. PERCY. One in no way affects the other. That is an amendment to the river and harbor bill which is now before the Commerce Committee, and merely seeks to increase the amount carried by that bill for the Mississippi River from \$3,500,000, as it passed the House, to \$6,000,000. What the fate of the amendment may be before that committee I can not tell, but whether the bill as it passes the Senate carries four or five or six million dollars for the Mississippi River, the million and a half dollars which is sought to be appropriated by this joint resolution as an emergency will be deducted from that amount.

Mr. WARREN. I wanted to know what the relation was. Whatever is appropriated in the joint resolution will probably be deducted in the amount carried by the amendment. Is that the Senator's understanding?

Mr. PERCY. Yes.

Mr. WILLIAMS. Mr. President—

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Mississippi?

Mr. HEYBURN. I had yielded to the senior Senator from Mississippi [Mr. PERCY], but, if he has no objection, I will yield to any other Senator. I am going to say but a word or two more, and then I will yield the floor.

Mr. PERCY. Mr. President, I should like to finish my statement.

The reason the joint resolution was put in this shape was simply because it was thought it would encounter less opposition in the House and in the Senate than if it were an independent appropriation of a million and a half dollars, and it was especially desirable that the measure should be put through without delay because of the value of every hour in this work. When the water recedes there will be probably two or three weeks between its recession and the time when the water will again begin to flow through the crevasses, unless during that time the crevasses can be leveed sufficiently to afford protection against the June rise, and there will be no crops of any kind grown during this year on more than 6,000,000 acres of land, and more than 100,000 people will be rendered absolutely destitute. That is the reason why there is especial urgency about the passage of the measure. It was put in this form because it was thought that it would create less opposition than in any other shape.

Mr. WILLIAMS. Mr. President—

Mr. HEYBURN. I now yield to the junior Senator from Mississippi, if he so desires. I had already yielded to the senior Senator from Mississippi.

Mr. WILLIAMS. Mr. President, I rise merely for the purpose of stating that, as it seems to me, there is some misapprehension in the Senate as to the status of the pending measure. The President of the Senate asked if there was objection to the present consideration of the measure. The Senator from Illinois [Mr. CULLOM] rose to offer an amendment. The President of the Senate then said, "The question now before the Senate is, Is there objection to the present consideration of the joint resolution?" The President then announced, "The Chair hears none," and the present consideration of the measure was entered upon.

Mr. SMOOT. No.

The VICE PRESIDENT. The Senator from Mississippi has correctly stated the proceeding.

Mr. WILLIAMS. Precisely.

The VICE PRESIDENT. The joint resolution is now before the Senate by unanimous consent.

Mr. WILLIAMS. Unanimous consent has already been granted, and therefore there is not any room for any Senator's sole objection. Any Senator who so chooses has a right to offer an amendment to the joint resolution, but the joint resolution is now before the Senate by unanimous consent for present consideration.

Mr. HEYBURN. Mr. President, I thoroughly understand that, and I am speaking to the merits of the joint resolution, which is entirely in order, I think.

The VICE PRESIDENT. Absolutely.

Mr. HEYBURN. I have but a few more words to say. I certainly did desire that the Senate should not enter upon an entirely new scheme or system of Government; that is to say, to authorize the borrowing of money upon the faith and credit of anticipated legislation. If you leave the proviso in, this is borrowing money from the Treasury. If you stop on line 13, with the word "appropriated," it is legislation for the appropriation of money out of the Treasury of the United States, and is entirely within the scope and purview of the constitutional provision and within the authority of Congress, but when you add the proviso, of course, that proviso relates back to the beginning of the subject matter stated in the joint resolution.

I merely suggested that if this work is necessary—and I do not doubt that it is—the appropriation be made without the proviso, and that we should take into consideration the question of the amount of the appropriation for that work when that came before the Senate; that is all. I can see no reason why Senators should object to it, except—and I do not impugn any man's motives—it is sought to secure at the same time a guaranty, or what will amount to a guaranty, of other appropriations. Now, we may or may not feel inclined to appropriate any more money.

Mr. CULLOM. Mr. President, will the Senator allow me to interrupt him?

Mr. HEYBURN. Yes.

Mr. CULLOM. The guaranty, as the Senator calls it, is simply a provision that will take the amount now proposed to be appropriated out of the next appropriation bill for rivers and harbors.

Mr. HEYBURN. Yes; and I undertake, Mr. President, to say that the Senator from Illinois, with his long service here, can recall no instance where an appropriation was made to be taken out of a future appropriation. I have known of no such legislation.

Mr. CULLOM. Whether it is or not, it certainly can do no harm to the Government if it gets the money back.

Mr. HEYBURN. It may do harm to other people who are entitled to consideration in legislation appropriating money for work in their sections of the country.

I am not going to enter upon any further discussion or objection to this matter, but I want the Senate to act with its eyes open. It is rather short notice upon which to enter upon a change of the whole system of making appropriations for the conduct of the affairs of the Government. Such a change should not be made without very considerable attention. As I have said, it is the first time in the history of the Government when such an attempt has been made, but once having established the precedent, only a power higher than this body can tell where it will end. There will be an attempt to anticipate appropriation after appropriation, and every anticipation of it by legislation is a mortgage upon that appropriation and a mortgage upon the action of this body when the question comes up. Of course, I assume—I am willing to believe the statement to the fullest extent—that this appropriation is necessary. Then, if it is necessary, let us vote for it and make the appropriation, but let us not mortgage the future legislation of this body.

Mr. SMOOT. Mr. President, the joint resolution is before the Senate as in Committee of the Whole, as I understand, and open to amendment.

The VICE PRESIDENT. The joint resolution is before the Senate as in Committee of the Whole and open to amendment, and two amendments have been agreed to.

Mr. SMOOT. Mr. President, on page 2, line 18, I move to strike out the words "deducted from" and insert "charged to," so that it will read:

And the Secretary of the Treasury shall cause a sum equal to the cost so reported to be charged to the unexpended balance of appropriations,

And so forth.

The VICE PRESIDENT. The Secretary will state the amendment.

The SECRETARY. On page 2, line 18, after the words "to be," it is proposed to strike out "deducted from" and insert "charged to."

Mr. PERCY. I should like to consent to the amendment, but the bill was carefully prepared in its present form in the office of the Chief of Engineers, and is now before the appropriate committee of the other House, having been at the same time introduced in that body, and, if I may say so, has been reported by the House committee in this shape with a favorable recom-

mendation. I think the language employed is correct. From whatever appropriation may be carried by the river and harbor bill for the Mississippi River, the amount proposed under this joint resolution is to be deducted, and the amount so deducted is to be turned back into the Treasury.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Utah?

Mr. PERCY. Certainly.

Mr. SMOOT. I was only looking at it from the standpoint of the books of the Treasury Department. They will have a credit of \$3,500,000, if that amount shall be appropriated in the river and harbor bill, and whatever has been expended of the appropriation provided by the pending joint resolution is to be charged to that amount, and in order that it shall be properly charged it must go to some credit, so that will be carried to the surplus fund and covered into the Treasury of the United States. That would be the natural way of doing it. If the Senator, however, insists upon no change in the bill, I shall not be particular about it, but I think that is the proper wording.

Mr. PERCY. The only objection I have is the delay that will be involved.

Mr. SMOOT. I do not think there will be any delay, because, if the joint resolution passes the Senate to-day, it will go to the House, and the House will act upon it. If it was going to delay the matter, I would not insist; or, if the Senator insists now that is not a proper amendment, I will withdraw it; but I think that is the proper wording.

Mr. PERCY. I would prefer, if the Senator is willing, that the amendment be withdrawn.

Mr. SMOOT. If the Senator insists, I will withdraw the amendment, although I think it is proper and right.

The VICE PRESIDENT. The Senator from Utah withdraws his amendment.

Mr. HEYBURN. I desire to ask a question of the Senator from Mississippi regarding a matter to which my attention has just been called. Is it true that an amendment has been offered by the Senator from Mississippi increasing the appropriation carried in the river and harbor bill as passed by the House to \$6,000,000?

Mr. PERCY. That is correct. The amendment was presented at the same time the pending joint resolution was introduced. It has not been passed upon by the Commerce Committee, however.

Mr. HEYBURN. The estimates on which the appropriation in the House bill is based—estimates provided to be made and furnished to Congress—were \$3,500,000, were they not; or were they \$3,000,000?

Mr. PERCY. Three million five hundred thousand dollars, as the bill passed the House; but that had nothing to do with the estimates.

Mr. HEYBURN. Of course, the appropriation against which the \$1,500,000 is to be charged is contained in the House bill as it has come to the Senate. It must originate in the House. If the appropriation in the House bill is based upon an estimate, the estimate is presumed to represent the necessity of the regular improvement of the river. If we take \$1,500,000 out of that, then that will bring the appropriation down below the estimate; that is, the regular work must suffer for this extraordinary work. Is that the intention?

Mr. PERCY. That would be true if there is no increase in the bill in the Senate. The \$1,500,000 appropriated in the joint resolution would be deducted from the \$3,500,000, and everyone, whether a member of the Mississippi River Commission or otherwise connected with the Mississippi River, would recognize that in the treatment of the river the paramount and pressing necessity was the closing of the crevasses, even if the regular expeditious interests had to suffer thereby.

Mr. HEYBURN. It is perfectly plain to everyone that if the amount for the Mississippi River remains as it is now in the proposed House bill, \$3,500,000, based upon the estimates required to be made and given to the House as the basis of legislation, then, if you pass this joint resolution and deduct \$1,500,000 from that sum, it can only be recouped by increasing the general appropriation in excess of the estimates. That is true, is it not?

Mr. PERCY. The estimates for the Mississippi River by the engineers are on the basis of \$80,000,000 to be expended in 20 years. The House has not, as was expected, appropriated \$4,000,000 a year.

Mr. HEYBURN. The House has not contemplated this appropriation at all in making up their bill. They have made up their bill upon the estimates.

Mr. PERCY. Not upon the estimates, because they cut the amount very much below the estimates.

Mr. HEYBURN. What are the estimates?

Mr. PERCY. The estimate for the Mississippi River, on the basis of 20 years and a total of \$80,000,000 for the improvement, was \$4,000,000 a year. The House in the last bill passed appropriated \$3,000,000. This year it has been increased to \$3,500,000 as the bill passed the House.

Mr. HEYBURN. The joint resolution recites that the amount carried by the river and harbor bill as passed by the House is \$3,500,000, and that was based upon the estimates. The House gave the full estimate on this item, did they not?

Mr. PERCY. The House did not make the appropriation up to the estimates of the engineers.

Mr. HEYBURN. No; but the estimate for one year's work upon this river is correctly stated in the preamble to this joint resolution, is it not, at \$3,500,000?

Mr. PERCY. That is not the estimate. That is the amount that the river and harbor bill carried as it passed the House, which was not up to the estimates as given by the engineers.

Mr. HEYBURN. It is not up to the estimates for a period covering several years.

Mr. PERCY. Not for any one year.

Mr. HEYBURN. I have the estimates, if I had time to put my hands upon them—they are at my desk here, I think—but does the Senator expect to press his amendment increasing the item to \$6,000,000?

Mr. PERCY. With or without reference to the passage of this resolution, I expect to ask for an appropriation of \$6,000,000 for the Mississippi River.

Mr. HEYBURN. That is, \$6,000,000 in lieu of the \$3,500,000 appropriated in the House bill?

Mr. PERCY. Yes.

Mr. BURTON. Mr. President, will the Senator from Idaho yield to me for a moment?

Mr. HEYBURN. Yes.

Mr. BURTON. Every one who is familiar with this situation must recognize that an unusual exigency has arisen because of the flood in the Mississippi River, which is almost unprecedented; it is the first serious flood for nine years. If an amount was fixed as necessary for the prosecution of the improvements in the Mississippi River before that flood, it will be absolutely necessary now to revise the amount and increase it. The exact extent of the amount is a matter for further consideration and study of the Senate. I trust the Senator from Idaho will not object to this provision, whether it be exceptional or not. There will necessarily be some delay before the river and harbor bill becomes a law, and it is desirable that plans be made now, so as to repair the levees before the so-called June rise. One dollar expended now might be as useful as two dollars expended at a later time.

Mr. HEYBURN. Mr. President, I doubtless have as keen an appreciation of the situation as another, and I recognize that it is a serious situation. We are juggling with millions here this morning—not hundreds or thousands for the relief of some person who has suffered in the service of the Government, but we are juggling with millions, and the time is well spent, probably, in making the record justify our action. Sometimes, perhaps, we are forgetful of the fact that whatever we do, whatever conclusion we express that carries with it the responsibility, should be and must be justified by such consideration and explanation in the Record as will commend it to those whom we represent in this place.

I am not raising these questions in levity, or because I have nothing else to do. When this matter first came to the desk, I took it up. I have been familiar with the situation on the Mississippi River during all of my lifetime. I know about the rise of the waters of that stream, and the periods when the river rises, and all of that, and the danger. I fully realize the necessity of prompt action in this matter. But I am as much interested in the question as to the propriety of the action, and it is quite as important to be considered. I do not feel that I am called upon to make any apology to myself even for occupying the time of the Senate in seeing whether we can not do this in a regular way rather than in an irregular way. The regular way would be to make the appropriation speedily, and to make it available at once, to repair these breaks and the destruction that has resulted from them. We have made liberal appropriations here within the last 10 days for the relief of the sufferers by reason of that.

I trust that Senators will not think that this question is new to me, or at least newer to me than it is to them. The Mississippi River has not been acting differently in the last generation than it is recorded to have acted in the generations that have preceded us. The snows have always melted along about the same time of year and raised the water in the river, and it

has come down and washed out people and cities and destroyed property. It is not necessary that one should live in any particular section of the country to know all about it. But if I make a statement that is not a verity I trust some Senator will point it out to me.

I arose in the interest of regularity of legislation. Since I have been in this body that question has given me perhaps as much trouble as any other. The disposition to cut across corners of lots because it is convenient to do it results in a great deal of bad legislation, some bad in substance and some bad in form, but all establishing precedents that arise to bother us in later days. I am quite anxious that we shall not enter upon this mistaken policy this morning.

The questions I asked the senior Senator from Mississippi relative to his amendment were pertinent. I have that amendment now before me. I did not have it on my desk at the time, but it seems to provide that not less than \$3,500,000 of this sum shall be expended for the building of levees, and all levee work shall be considered extraordinary emergency work. I may be mistaken, but I think I am correct in classifying the work to be done under this joint resolution as within the exception of the bill. Yet you are proposing a bill to borrow money from that fund to do work not within the scope of the work provided for, but within the exception. That is the plain language of the bill. It says that all levee work shall be considered extraordinary emergency work, and, consequently, outside of this appropriation. What more profitable or more important subject could the Senate be considering this morning than this, unless we are going to toss these millions about as a bagatelle?

Mr. President, I have nothing to say as to the proposed amendments. My remarks are directed against the manner of the legislation, which proposes to borrow from a fund that at no time would this work be a participant in. Under this amendment no part of this money would ever come to this fund.

Mr. CLARKE of Arkansas. The Senator is mistaken in his statement. One of the approved methods of improving the Mississippi River is to build levees.

Mr. HEYBURN. I know that.

Mr. CLARKE of Arkansas. Millions have been expended under the approval and with the direction of all those who take pains to inform themselves about that method of expending public money.

Mr. HEYBURN. That would ordinarily be supposed to be true, but the language of this amendment puts it upon a different basis.

Mr. CLARKE of Arkansas. That brings it back to the suggestion I made a moment ago, that those who drafted that amendment could not expect it to be subjected to the scrutiny of the Senator from Idaho. I have no doubt but what he can point out trifling inconsistencies in it, and I have no doubt that he could have improved the language of the amendments if he had drawn them in the beginning; but the persons who drew the amendments had in their mind the necessity of supplying at once a sum of money, when it was perfectly apparent a larger sum would be hereafter appropriated, and that the sum needed now could be deducted from that amount.

Mr. HEYBURN. But it is not appropriated for the class of work described in this amendment.

Mr. CLARKE of Arkansas. The Senator is entirely mistaken.

Mr. HEYBURN. I have the language of it here. I will read it again.

Mr. CLARKE of Arkansas. I am not talking about the amendment offered by the Senator from Mississippi, because I am not entirely familiar with it, but I am entirely familiar with the scheme of improvements adopted by the Mississippi River Reclamation Commission, and carried out in the last 15 years for the improvement of that stream. One of the essential, I might say the dominant, method of improvement—the construction of levees on the banks—is to concentrate the waters in the channel and thereby assist in keeping the river open and fit for navigation. The construction of levees is not an exceptional method of expending the money appropriated, or an exceptional method of improvement.

Mr. HEYBURN. I have not so stated. I have the amendment here.

Mr. CLARKE of Arkansas. The Senator is reading from the amendment of the Senator from Mississippi, which proposes new legislation. That is not the existing legislation; it is new legislation.

Mr. HEYBURN. It is just as much legislation as that contemplated by the rivers and harbors bill. One is just about as far along as the other.

Mr. CLARKE of Arkansas. The Senator is again mistaken.

Mr. HEYBURN. They are both as yet in an inchoate state.
Mr. CLARKE of Arkansas. There is a statutory system dealing with the Mississippi River, in the form of a permanent statute, along lines that call for gradual development, and extending over a period of 20 years and involving an expenditure of about \$4,000,000 a year.

Mr. HEYBURN. Yes. Now, here is the language that the Senator from Mississippi has used.

Mr. CLARKE of Arkansas. I insist that the Senator from Idaho is reading from proposed legislation contained in the amendment offered by the Senator from Mississippi.

Mr. HEYBURN. If I were standing here proposing an appropriation for this necessary work, I might feel that I should give a different class of reasons. The proviso in the sixth line of the amendment of the senior Senator from Mississippi [Mr. PERCY] says:

Provided, That not less than \$3,500,000 of said sum—

Said sum is \$6,000,000—

shall be expended for the building of levees, and all levee work shall be considered extraordinary emergency work.

I think those who are interested directly—and all people are interested—in the work on the Mississippi River would prefer an appropriation that would insure the performance of this work rather than to tie it up with the possibilities of future legislation. I am content now, having made this statement in the RECORD, to allow the matter to take such course as the Senate sees fit.

Mr. PERCY. In order to make the amendment conform to the language that has been favorably reported on by the Rivers and Harbors Committee of the House, I move, on line 19 of page 2, to strike out the words "unexpended balance of."

The VICE PRESIDENT. If there be no objection, the amendment is agreed to.

Mr. SMOOT. Mr. President, just a minute, before that is finally disposed of.

The VICE PRESIDENT. The Chair understands that the Senator from Utah objects for the present to agreeing to the amendment.

Mr. SMOOT. I would like to have the Senator from Mississippi explain why he desires to have those words stricken out.

Mr. PERCY. I stated that, in my opinion, it does not alter the sense of the measure at all. As it stands, it is an unexpended appropriation. As stricken out, it would be the appropriation for the Mississippi River. The only reason why I asked to have the words stricken out was that the Rivers and Harbors Committee of the House has stricken it out in recommending the bill in the House, which has just been recommended this morning. It is simply for the purpose of uniformity and to avoid delay. That is my only object.

Mr. SMOOT. Of course, I think there will be an unexpended balance of the appropriation and consequently that is technically correct. I do not see why now you should say that because it is so reported it should be deducted from the appropriation. It is not an appropriation, but the bill says "appropriations."

Mr. PERCY. It is from the appropriation to be made for the river, and the effect is the same whether the deduction be made from the unexpended balance or made at the time the expenditure is consummated. If the deductions be made from the amount of the bill as it passes the Senate, before the expenditure has been consummated, the result is precisely the same; it is a million and a half dollars taken from that bill.

Mr. SMOOT. The result would be the same perhaps if there was more than this amount in the appropriation, but if not, of course the whole amount could not be deducted from the unexpended balance. I do not see that the Senator gains anything by it.

Mr. PERCY. I gain nothing in the world except to avoid delay. The House has stricken out the words; the sense is not changed; the War Department assures me it is immaterial; and to avoid delay I ask the Senate to concur in the same amendment.

Mr. SMOOT. I will not object.

The amendment was agreed to.

Mr. PERCY. Now, I have one other amendment to offer. The bill as reported was from Head of Passes to the mouth of the Ohio River. The committee substituted Cape Girardeau.

Mr. SMOOT. That has been agreed to.

Mr. PERCY. I find that the title of the appropriation as carried in the river and harbor bill is in the shape that it was originally, namely, to the mouth of the Ohio River. Therefore I ask that the joint resolution be restored to the form in which it originally was. The committee simply desired to make it conform to the title of the appropriation, but by referring to the bill I find that while the levee system is from Cape Girardeau to the Head of the Passes, the appropriation is made, as shown

on page 34 of the bill, from the Head of the Passes to the mouth of the Ohio River; and therefore the joint resolution should read "to the mouth of the Ohio River."

Mr. SMOOT. The Senator, then, can make a motion to reconsider the vote by which the amendment was agreed to.

The VICE PRESIDENT. The Senate having already agreed to the amendment, it will be necessary for the Senate to reconsider the vote by which the amendment was agreed to. Is there objection to such reconsideration?

Mr. CULLOM. I hope the Senator is not trying to reconsider the vote on the amendment I offered.

Mr. PERCY. No; I will say to the Senator from Illinois that it does not affect his amendment.

The motion to reconsider was agreed to.

The VICE PRESIDENT. Without objection, the committee amendment is disagreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SMOOT. Is it understood that the preamble will be stricken from the joint resolution?

Mr. PERCY. It will be satisfactory to have the preamble stricken out.

Mr. SMOOT. Very well; let the preamble be stricken out.

The VICE PRESIDENT. The committee recommends that the preamble be stricken out. Without objection, the preamble is stricken out.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NELSON:

A bill (S. 6538) granting an increase of pension to Annette Farmer (with accompanying papers); to the Committee on Pensions.

By Mr. SMITH of Maryland:

A bill (S. 6539) creating the grade of chief pharmacist in the Navy; to the Committee on Naval Affairs.

By Mr. HITCHCOCK:

A bill (S. 6540) granting an increase of pension to Mary Landers, now Parker; to the Committee on Pensions.

By Mr. KERN:

A bill (S. 6541) granting an increase of pension to Josephus Steller (with accompanying papers); and

A bill (S. 6542) granting an increase of pension to Zachariah V. Purdy (with accompanying papers); to the Committee on Pensions.

By Mr. WATSON:

A bill (S. 6543) to establish standard packages and grades for apples, and for other purposes; to the Committee on Interstate Commerce.

A bill (S. 6544) granting an increase of pension to James Smith (with accompanying papers); to the Committee on Pensions.

By Mr. GALLINGER:

A bill (S. 6545) to amend section 558 of the Code of Law of the District of Columbia, relating to notaries public; to the Committee on the District of Columbia.

By Mr. ASHURST:

A bill (S. 6546) granting a pension to Mary Jane Tillman; to the Committee on Pensions.

By Mr. CLAPP:

A bill (S. 6547) granting an increase of pension to Anna R. Wellman (with accompanying paper); to the Committee on Pensions.

By Mr. PAGE:

A bill (S. 6548) granting an increase of pension to Abram Burnett; to the Committee on Pensions.

By Mr. CURTIS:

A bill (S. 6549) granting a pension to Thomas D. O'Shea; to the Committee on Pensions.

By Mr. DU PONT:

A bill (S. 6550) to amend section 1342 of the Revised Statutes of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. GUGGENHEIM:

A bill (S. 6551) to amend section 3 of an act entitled "An act to provide for an enlarged homestead"; to the Committee on Public Lands.

By Mr. BURTON:

A bill (S. 6552) granting an increase of pension to Samuel Green; to the Committee on Pensions.

A bill (S. 6553) for the relief of Silas McElroy; and

A bill (S. 6554) for the relief of Mrs. L. D. Goldsberry; to the Committee on Claims.

By Mr. BROWN:

A bill (S. 6555) providing an appropriation for the checking of the inroads of the Missouri River and the destruction of private and public property on the banks of said river in Dakota County, Nebr., opposite the city of Sioux City, Iowa; to the Committee on Commerce.

By Mr. SMITH of Arizona:

A joint resolution (S. J. Res. 103) directing the Secretary of State to investigate claims of American citizens growing out of the late insurrection in Mexico, to determine the amounts due, if any, and to press them for payment; to the Committee on Foreign Relations.

FISH-CULTURAL STATION IN RHODE ISLAND.

Mr. WETMORE submitted an amendment proposing to appropriate \$25,000 for the establishment of a fish-cultural station in the State of Rhode Island, etc., intended to be proposed by him to the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

AMENDMENT TO RIVER AND HARBOR BILL.

Mr. CLARKE of Arkansas submitted an amendment proposing to appropriate \$50,000 to repair and rebuild the levees under the control of the Auburn and Linwood levee districts on the Arkansas River, etc., intended to be proposed by him to the river and harbor appropriation bill (H. R. 21477), which was referred to the Committee on Commerce and ordered to be printed.

VOLUNTEER FORCES OF THE UNITED STATES.

Mr. DU PONT. I ask that the bill (S. 2518) to provide for raising the volunteer forces of the United States in time of actual or threatened war, being order of business No. 80, be taken from the calendar and recommitted to the Committee on Military Affairs.

The VICE PRESIDENT. Without objection, it is so ordered.

HOSPITALS IN THE DISTRICT OF COLUMBIA (S. DOC. NO. 614).

Mr. GALLINGER. I have a paper submitted to the Board of Trade of the District of Columbia by a committee on charities and corrections, which discusses the hospital situation in the city of Washington. I move that it be printed as a Senate document and referred to the Committee on Appropriations.

The motion was agreed to.

WIRELESS TELEGRAPHY AT SEA.

Mr. HITCHCOCK. Mr. President, I should like to inquire of the chairman of the Committee on Commerce what prospect there is for a report on Senate bill 3815, which I introduced early in the present session, providing that steamships sailing to and from American ports and carrying more than 100 persons should be equipped with proper wireless apparatus and served by two wireless operators.

I make the inquiry at this time because, while when I introduced that bill only one great marine accident had occurred which revealed the necessity for two operators, since that time another more tragic and more frightful accident has occurred, which has again demonstrated that the use of two operators is absolutely necessary.

I understand that in the case of the *Titanic* she had two operators, and in the case of the *Carpathia*, which came to her assistance, only one operator was on the vessel, and he was at the moment about to retire from his apparatus. A number of other vessels, I understand, were in the neighborhood equipped with some apparatus with only one operator.

It seems to me that this second accident, added to the wreck of the *Prince Joachim* early in the season, has demonstrated that there is an urgent need for early action upon this bill. I understand that possibly the committee has been delayed by the consideration of more elaborate bills for the control of wireless telegraphy at sea; but it seems that this measure is so simple, so urgent, and so obvious a need that the bill ought to receive an early consideration.

I should like to hear from the chairman of the Committee on Commerce whether he can give us any assurance on the subject.

Mr. NELSON. Mr. President, the bill to which the Senator from Nebraska refers, and also a general bill (S. 6412) relating to the matter of radiocommunication in general, were referred to a subcommittee of the Committee on Commerce during the early part of the session. That committee has been diligently at work, and they have reported a general bill intended to cover the whole method of radiocommunication. The bill has been reported, and it is on the calendar. It is a committee bill, Order of Business 577.

On the other bill, to which the Senator refers, which only covered the matter, as I understand it, of requiring two operators on each ship, the subcommittee have made no special report. I understand that the committee claim that they have to a large extent covered it in the general bill. Most of that

subcommittee are now engaged in the investigation of the *Titanic* disaster. I presume by the time they get through with that investigation they will probably prepare a comprehensive bill especially relating to the matter to which the Senator refers.

Mr. HITCHCOCK. Mr. President, I realize that the work of the committee should cover a number of other subjects, but this is a very simple measure. The present law requires one operator, and the slightest amendment of the law can substitute "two" for "one." It seems to me there is neither room for debate nor for delay, but that it is an obvious need. Here within a single year two instances have occurred which have demonstrated the need of an additional operator; and I respectfully suggest to the chairman of the committee that however much delay may be necessary to consider more complicated regulations, this simple provision should receive early attention and early consideration. I do not like to urge the committee unduly.

Mr. NELSON. The chairman of the subcommittee is absent on the investigation over in the Senate Office Building. At the earliest opportunity I will call his attention to what the Senator says.

DESIGNATION OF PRESIDENT PRO TEMPORE.

Mr. SHIVELY. Mr. President, I am informed that the Vice President will necessarily be absent from the Senate during Friday and Saturday of this week. I therefore request the unanimous consent of the Senate that the senior Senator from New Hampshire, Mr. GALLINGER, be chosen as the President pro tempore of the Senate for Friday, the 26th, and Saturday, the 27th, of the present month.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the order is entered.

Mr. SHIVELY submitted the following resolution (S. Res. 291), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary wait upon the President of the United States and inform him that the Senate has elected JACOB H. GALLINGER, a Senator from the State of New Hampshire, President of the Senate pro tempore, to hold and exercise the office in the absence of the Vice President on Friday and Saturday, April 26 and 27, 1912.

Mr. SHIVELY submitted the following resolution (S. Res. 292), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary notify the House of Representatives that the Senate has elected JACOB H. GALLINGER, a Senator from the State of New Hampshire, President of the Senate pro tempore, to hold and exercise the office in the absence of the Vice President on Friday and Saturday, April 26 and 27, 1912.

THE HARVESTER TRUST.

Mr. BRISTOW. Mr. President, on March 16 the Senator from Tennessee [Mr. LEA] offered and the Senate agreed to the following resolution (S. Res. 250):

Whereas it is reported that there is pending before the Department of Justice a settlement between the United States and the International Harvester Co., by which the so-called Harvester Trust may be permitted to reorganize and to bring its organization and business within the Sherman antitrust law as construed by the Supreme Court: Be it

Resolved by the Senate of the United States, That the Attorney General be, and he is hereby, instructed to lay before the Senate all correspondence and information he may have upon this subject, together with any and all correspondence, information, and reports of the Bureau of Corporations relating thereto, from January 1, 1904, to the present time.

The resolution related to the correspondence between the Department of Justice and the so-called Harvester Trust. This resolution, by the Senator from Tennessee, was introduced on the 15th and agreed to on the 16th of March. On the 25th of March the Attorney General made the following reply:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., March 19, 1912.

THE PRESIDENT OF THE SENATE.

SIR: I am in receipt of a copy of a resolution adopted by the Senate March 16, 1912, reading as follows:

"Whereas it is reported that there is pending before the Department of Justice a settlement between the United States and the International Harvester Co., by which the so-called Harvester Trust may be permitted to reorganize and to bring its organization and business within the Sherman antitrust law as construed by the Supreme Court: Therefore be it

Resolved, That the Attorney General be, and he is hereby, instructed to lay before the Senate all correspondence and information he may have upon this subject, together with any and all correspondence, information, and reports of the Bureau of Corporations relating thereto, from January 1, 1904, to the present time."

In reply I am directed by the President to say that, in my opinion, it is not compatible with the public interests to lay before the Senate the correspondence and information relating to the International Harvester Co. in the possession of this department, nor the correspondence, information, and reports of the Bureau of Corporations relating thereto. These are matters pertaining entirely to business which is now pending and uncompleted in this department.

I have the honor to be,

Very respectfully, yours,

GEO. W. WICKERSHAM,
Attorney General.

It will be observed that on the 25th of March, when this communication was received by the Senate, Mr. Wickersham declared that it was not compatible with the public interests to furnish the information.

Mr. HEYBURN. Mr. President, I should like to ask a question.

The PRESIDING OFFICER (Mr. Root in the chair). Does the Senator from Kansas yield to the Senator from Idaho?

Mr. BRISTOW. I do.

Mr. HEYBURN. Are we to understand that the Attorney General undertook to say for himself that it was not compatible with the public interests to furnish the information, or was he saying it for the President?

Mr. BRISTOW. I will read his language and let the Senator from Idaho determine:

In reply I am directed by the President to say that, in my opinion—

Mr. HEYBURN. That is the President's opinion?

Mr. BRISTOW. I do not know. I am reading the language.

Mr. HEYBURN. The way the Senator read it I got the idea that it was in Mr. Wickersham's opinion, and that is not in conformity with the practice.

Mr. BRISTOW. I was merely reading the language. What construction—

Mr. HEYBURN. What is the punctuation?

Mr. BRISTOW. It is punctuated as I read it:

In reply I am directed by the President to say that—

Comma—

In my opinion—

Comma—

It is not compatible with the public interests—

Mr. HEYBURN. Yes; it should have been "in his opinion" unless there is a quotation.

Mr. BRISTOW. On the 25th of March we received a reply to the resolution adopted on the 16th of March, which asked the Attorney General to furnish the Senate information relative to correspondence which he may have had with officers of the International Harvester Co., and also correspondence which the Bureau of Corporations may have had with that company from January 1, 1904, up to the present time, and Mr. Wickersham declared that it was not compatible with the public interests to do so in either case.

Mr. HEYBURN. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Idaho?

Mr. BRISTOW. I do.

Mr. HEYBURN. It goes to the question of the practice in the Senate, and my attention had not been directed to any violation of the established practice. It is not competent for any other person than the President of the United States to declare that it is not compatible with the business of the Government to furnish information. No lesser officer is authorized to make that reply. That is the reason I wanted the language read, but it appears there that Mr. Wickersham says that it was, in his judgment, incompatible.

Mr. BRISTOW. That is exactly what it says.

Mr. HEYBURN. Well, he had no right to say that.

Mr. BRISTOW. On April 22—last Monday—the Senator from North Carolina [Mr. OVERMAN] submitted the following resolution:

Resolved, That the Attorney General be, and he is hereby, instructed to lay before the Senate all correspondence and information now in possession of the Department of Justice in relation to the proposed settlement between the United States and the International Harvester Co., by which the so-called Harvester Trust may be permitted to reorganize and bring its organization and business within the provisions of the Sherman antitrust law as construed by the Supreme Court, together with any and all correspondence, information, and reports of the Bureau of Corporations relating thereto from January 1, 1904, to the present time.

The resolution asked for practically the same information which had been requested in the resolution agreed to by the Senate upon the motion of the Senator from Tennessee [Mr. LEA]. I should say that no response has been received from the Attorney General to the resolution offered by the Senator from North Carolina. There were two things asked for: First, the correspondence the present Attorney General may have had relating to a settlement and a reorganization of the Harvester Trust, presumably along the lines of the reorganization of the Tobacco Trust and the Standard Oil Co. The information under the first resolution was denied. The second resolution introduced and agreed to on Monday has not been answered. Yesterday afternoon the Senator from Alabama [Mr. JOHNSON] introduced the following resolution (S. Res. 290):

Resolved, That the Attorney General be, and he is hereby, directed to furnish the Senate with copies of the reports of the Secretary of Commerce and Labor and Commissioner of Corporations and instructions of

the President concerning the proposed prosecution of the International Harvester Co. of America made in the year 1907, and showing the facts concerning such proposed prosecution and the reasons for its abandonment.

You will observe that the difference between this resolution and the two former resolutions is that they called for the correspondence of the present Attorney General with the officers of the International Harvester Co., while this refers to correspondence only of his predecessor in the year 1907. The same afternoon, about two hours after this resolution was adopted, an answer was furnished. Whether the resolution was sent by special messenger or whether the Attorney General was telephoned that it had been introduced, apparently in harmony with his desire, I am not informed, but a report was presented which could not have been prepared unless the Attorney General knew that such a request for information would be made.

It is to be inferred that the President of the United States, desiring to use this confidential correspondence between his predecessor and a Cabinet officer and his private secretary, which was on file in the White House offices, thought it more fitting for it to be called for by the Senate in a resolution which had been framed in language that did not ask for information concerning his own administration. Was this exceeding haste because urgencies of the campaign required this material to be used to-day?

I simply wanted to call the attention of the Senate to the fact in regard to these resolutions and the spectacle which they present.

Mr. CULBERSON. Mr. President, before we pass from the subject, I wish to say that I notice that in the CONGRESSIONAL RECORD only the letter of the Attorney General appears. I therefore ask that the whole paper—Senate Document No. 604—may be printed in the CONGRESSIONAL RECORD so that the readers of the RECORD may have the entire correspondence.

The PRESIDING OFFICER. The Senator from Texas asks unanimous consent that the contents of Senate Document No. 604, Sixty-second Congress, second session, be printed at large in the CONGRESSIONAL RECORD. Is there objection? The Chair hears none, and it is so ordered.

The document referred to is as follows:

[Senate Document No. 604, Sixty-second Congress, second session.]

THE PROSECUTION OF THE HARVESTER TRUST.

LETTER FROM THE ATTORNEY GENERAL TRANSMITTING INFORMATION IN RESPONSE TO SENATE RESOLUTION OF APRIL 24, 1912, RELATIVE TO THE PROPOSED PROSECUTION OF THE INTERNATIONAL HARVESTER CO. AND REASONS FOR ITS ABANDONMENT.

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., April 24, 1912.

THE PRESIDENT OF THE SENATE:

SIR: I am in receipt of a copy of a resolution of the Senate, reading as follows:

"APRIL 24, 1912.

"Resolved, That the Attorney General be, and he is hereby, directed to furnish the Senate with copies of the reports of the Secretary of Commerce and Labor and Commissioner of Corporations, and instructions of the President, concerning the proposed prosecution of the International Harvester Co. of America, made in the year 1907, and showing the facts concerning such proposed prosecution and the reasons for its abandonment."

In reply I am directed by the President to transmit to you, as I do herewith, copies of the following letters on the files of this department:

Letter from President Roosevelt to Charles J. Bonaparte, Attorney General, dated August 22, 1907.

Letter from William Loeb, Jr., Secretary to the President, to Charles J. Bonaparte, Attorney General, dated August 23, 1907.

Letter from Herbert Knox Smith, Commissioner of Corporations, Department of Commerce and Labor, to the President, dated September 21, 1907.

Letter from Herbert Knox Smith, Commissioner of Corporations, Department of Commerce and Labor, to the President, dated September 23, 1907.

Letter from Oscar Strans, Secretary of Commerce and Labor, to the President, dated September 23, 1907.

Letter from William Loeb, Jr., Secretary to the President, to Charles J. Bonaparte, Attorney General, dated September 24, 1907.

I have the honor to be,

Very respectfully,

GEO. W. WICKERSHAM,
Attorney General.

OYSTER BAY, N. Y., August 22, 1907.

HON. CHARLES J. BONAPARTE,

Attorney General, Hotel Aspinwall, Lenox, Mass.

MY DEAR MR. ATTORNEY GENERAL: Mr. George W. Perkins, of the International Harvester Co., has just called upon me and submitted to me certain papers of which I inclose copies. According to these papers and to Mr. Perkins's statements it would appear that the Harvester Co. has repeatedly, on its own initiative, asked that its business be investigated by the Department of Commerce and Labor through the Commissioner of Corporations; that three years ago the Interstate Commerce Commission decided that it had accepted what amounted substantially to rebates; that Mr. Moody, the then Attorney General, was about to take action on this report, but the Harvester Co. at once promised to rectify the practices and see that nothing contrary to the ruling of the commission was again done. This was satisfactory to the Attorney General and the suit was dropped. The Harvester Co. says it is in position to prove that it has lived up to this agreement made in May, 1904. The Harvester Co. advances this as a proof that if any illegal action is pointed out it will itself rectify the matter on its being pointed out. It further appears that last December Senator Hansbrough got the Senate

to pass a resolution directing the Department of Commerce and Labor to make an early investigation into the character and operation, and effect upon interstate commerce, of the International Harvester Co., and that in January last Messrs. Garfield and Smith met various representatives of the Harvester Co. in New York and a conclusion was reached that the department would begin the examination as speedily as possible, which conclusion was announced publicly in the press. On March 7 Commissioner Smith notified the Harvester Co. that the inquiry would be into the incorporation value of its property, securities, and the general management of its business. It appears by his letter of August 8 that Commissioner Smith has begun the investigation, but has not made such progress with it as he would like to on account of his being crowded with work. Mr. Perkins's request to me is that, before the company is exposed to the certain loss and damage that the mere institution of a suit would entail, this investigation by Mr. Smith as required by Senate resolution should be carried to completion. He explicitly states to me that there would be no intention to plead the examination by the Department of Commerce and Labor as conferring any immunity from proceedings by the Department of Justice.

Will you see Mr. Perkins and Commissioner Smith, go over the matter in full, and report to me thereon?

Please do not file the suit until I hear from you.

Sincerely, yours,

THEODORE ROOSEVELT.

OYSTER BAY, N. Y., August 23, 1907.

HON. CHARLES J. BONAPARTE,
Attorney General, Hotel Aspinwall, Lenox, Mass.

MY DEAR MR. ATTORNEY GENERAL: The accompanying letter and inclosures from Mr. George W. Perkins, concerning the International Harvester Co. case, should have been inclosed with the letter from the President mailed to you to-day.

Very truly, yours,

WM. LOEB, JR.,
Secretary to the President.

DEPARTMENT OF COMMERCE AND LABOR,
BUREAU OF CORPORATIONS,
Washington, September 21, 1907.

The PRESIDENT,
Oyster Bay, N. Y.

SIR: In pursuance of my letter of August 30, 1907, I take the liberty of submitting for your consideration a memorandum in regard to the proposed action of the Department of Justice for the prosecution of the International Harvester Co. under the Sherman law. I feel that it is only proper that I should state my objections to such proposed action because of the bearing that it has on the work of this bureau and, still more important, on the entire policy of the administration as I understand that policy.

On August 24, 1907, by direction of the President, I met Mr. George W. Perkins, chairman of the finance committee of the International Harvester Co., and discussed the matter with him. On August 26 I saw the President and stated briefly my views, and, upon his instructions, I then, on the next day, saw the Attorney General at Lenox, Mass., and was informed by him that while he would be glad to confer with Mr. Perkins and myself at any time on this matter, he did not feel that he was competent to take up the matter thoroughly until the return of Mr. Purdy from Europe, who has special charge of this general class of cases. I therefore did not discuss the question with the Attorney General, and knowing that the President had instructed the Attorney General to take no further action in this matter until such final conference could be held, I have been awaiting the return of Mr. Purdy, who is expected back, I believe, about October 1. Inasmuch as I shall probably be away at that date and for some time thereafter, I am sending this memorandum now.

Briefly, the International Harvester Co., through Mr. Perkins, takes the position that it has, ever since the creation of the Bureau of Corporations, endeavored to put itself in line with the policy of publicity maintained by the administration; that, so far as it is aware, it has committed no violation of any statute; that it has continued to offer to the bureau from time to time complete access to all its books and papers and to give all the information desired as to its operations; that it has, indeed, frequently urged such investigation by the bureau; that it can obtain no direct information at all as to the nature of the charges against it, but that it has reason to believe that the case against it is purely a technical legal one under the Sherman law, involving merely an interesting legal question, as to whether the organization of the company per se constitutes a combination in restraint of trade, and that no moral sins or methods of unfair competition are included in said case; that Congress, in December, 1906, passed a resolution requesting the Department of Commerce and Labor to investigate the company; finally, that, such being the facts and such having been its consistent attitude of cooperation, it is unfair and inconsistent on the part of the Government now to subject the company to a prosecution for a technical violation of the Sherman law. The company simply desires that the Bureau of Corporations be allowed to conclude its investigation, and if any substantial violation of the law shall be discovered by such investigation the company is perfectly willing to stand prosecution.

To the extent of my present knowledge I am satisfied that the facts are as stated by the said company, with the single exception that I do not have definite knowledge as to the nature of the case now in the hands of the Department of Justice; but from the expressions of the Attorney General I am inclined to believe that it is, as Mr. Perkins stated, a purely technical legal question. As to the principle of fair dealing and good policy involved, I also concur emphatically with the attitude of the company.

It is certainly true that this company has been most open with the bureau. In 1904 Mr. Cyrus McCormick, the president of the company, called upon Mr. Garfield, offering him the cooperation of the company in obtaining information. In December, 1906, Mr. George Perkins wrote to Secretary Straus making a similar offer of cooperation. On the 28th of the same month Mr. Cyrus McCormick wrote to Mr. Garfield, making a similar offer and reminding him of his original offer of 1904. On January 18 and 19, 1907, Mr. Garfield and myself met at New York City Messrs. Gary, McCormick, Deering, and Perkins, all directors of the said company, and went over generally the subject matter of the company's organization and operation, receiving, so far as I know, absolutely frank and complete answers and further assurance of complete cooperation in carrying out the investigation. On April 1, 1907, Messrs. Cyrus and Harold McCormick called upon me at Washington, giving similar assurances and emphatically urging that this bureau undertake the investigation of their company.

Furthermore, the attitude of the Morgan interests generally, which control this company, has been one of active cooperation.

In the investigation of the steel industry the United States Steel Corporation has already spent thousands of dollars in compiling for the bureau the most complete and intimate information as to the business, and its officers have gone to immense trouble and loss of time to facilitate in every way our work.

While a certain amount of work has been done on the investigation of the Harvester Co. by this bureau, it has reached only a very preliminary stage, first, because of the lack of men to undertake the work, and, second, because of the intimations that have reached me from time to time since the beginning of this year to the effect that the Department of Justice would probably commence a suit against the company under the Sherman law, and I felt, for the reasons indicated below, that until this matter was settled one way or the other it was neither fair nor expedient that the investigation of this bureau should continue.

In my interview of August 24 with Mr. Perkins, he set forth a number of considerations which seemed to me of great weight. He stated that his company had endeavored to obey the law in every respect and had carefully put itself in line with the policy of the administration; that the interests he represented, including not only the International Harvester Co., but also the far-reaching Morgan interests generally, had originally favored the creation of the Bureau of Corporations and the policy of the President which that bureau represents, and that both in their attitude toward the bureau and in their conduct and management of their various concerns, including the United States Steel Corporation, they had adopted a similar policy of frankness and publicity; that so far as he was aware, they had not been guilty of any violation of the law, certainly none involving a moral consideration; that, as he phrased it, he was now being laughed at in New York by the Standard Oil people, who were saying that he had tried to be good and keep solid with the administration, but that now he was going to get the same dose as other people who had not followed such policy; that very serious financial interests were involved in this proposed suit; that the company borrows annually about \$20,000,000 abroad for the carrying of their foreign business; that upon the publication of the proposed action by the Department of Justice the foreign financiers had refused to extend this accommodation, and that the money would have to be raised now in New York under great disadvantage, and that as a result it might readily happen that several of their important plants would be closed and a number of thousand men thrown out of employment, and especially that the foreign trade in harvesting implements that had been developed almost entirely by the International Harvester Co. would be lost; that the company employs over 25,000 men, exclusive of selling agents, and does an annual business of over a hundred million dollars.

He concluded with great emphasis with the remark that if, after all the endeavors of this company and the other Morgan interests to uphold the policy of the administration and to adopt their methods of modern publicity, this company was now to be attacked in a purely technical case, the interests he represented were "going to fight."

So far as I have knowledge of the facts set forth by Mr. Perkins, I believe them to be true. I have no knowledge of any moral grounds for attacks on the company. The few complaints received by the bureau have been attributable almost entirely to two sources, to wit, in the first place, to certain trade papers which have been deprived of advertisement and whose object seems to be blackmail, and, second, to the general feeling against any sort of combination. As to the legal question, whether this company's organization has been per se a violation of the Sherman law, I am not particularly interested, nor have I any fixed opinion on the subject.

I therefore feel that the starting of a suit under the Sherman law against this company would, in the first place, be a moral injustice, and, in the second place, would be a reversal of the correct and advanced modern policy of the President in dealing with corporate business. It is submitted that this case raises acutely a question of general policy of great importance, which must be, I think, determined now, and for which this case will stand as a precedent. This case raises the question included in what the President has called "good and bad trusts"; the question whether mere combination, as such, shall be prohibited; whether the Government is going to try to forbid all combinations regardless of their methods or ends, or whether, on the other hand, it is going to pursue the policy, frequently stated by the President, of regulation and control rather than of prohibition. It is submitted that two wholly inconsistent principles are brought here in conflict. One or the other must give way. If the principle illustrated by this proposed case against the Harvester Co. is to be followed, it is believed that the principle for which the Bureau of Corporations stands must be abandoned and its work substantially cease. It is impossible both to destroy and to regulate combinations. The choice must be made now between these two divergent policies.

As to which is the better of the two policies, very naturally I have a strong prejudice in favor of that represented by this bureau, but I believe that that prejudice is justified. I believe that industrial combination is an economic necessity, that the Sherman law, as interpreted by the Supreme Court, is an economic absurdity and is impossible of general enforcement, and even if partially enforced will, in most cases, work only evil. I believe the principle it represents must ultimately be abandoned; that combination must be allowed and then regulated; and that the best means of regulation is by publicity, aided by the action of the Department of Justice and of the courts in case of proven violation of the interstate-commerce laws and other laws which deal with unfair methods of business. It is not the existence of the combination power which must be considered, but the misuse of that power. A combination which maintains its power simply because it gives better service or lower prices and thus gets most of the business justifies its own existence and should not be hampered or attacked. It is for the public benefit as well as for its own advantage. On the other hand, a combination such as the Standard Oil Co., which constantly uses its combination power to cripple the efficiency of competitors by unfair methods of competition, by railway rebates, by subornation of employees, by local price discrimination, illustrates completely the misuse of combination power and the line along which the efforts of the Government should be directed.

As to the effectiveness of the two methods, the balance is equally heavy on the side of the modern method of publicity, of prevention rather than penalty. The experience of this bureau has demonstrated the prompt and widespread effect of the publication of specific industrial wrongs, as was seen in the immediate correction by the railroads all over the country of the system of railway discrimination set forth in the report of the Commissioner of Corporations on the transportation of petroleum. Furthermore, this method corrects not only methods

that are illegal, but also those which, though legal, are unfair and inequitable, a subject matter that can not be reached by the operations of the courts. Still more important, this method is preventive rather than remedial. The mere knowledge on the part of corporate managers that such publicity is possible and probable prevents the perpetration of many improper transactions that might otherwise be undertaken, and, most important of all, tends strongly to establish throughout the country the higher range of moral standards in business that must ultimately be the basis of any permanent reform in corporate management.

On the other hand, action under the Sherman law is confined to a single case; will almost always be protracted through several years of litigation; is often defeated by a legal technicality, and even if successful amounts in almost all cases to simply a "paper victory," without any real economic improvement, and as soon as the decree of the court is signed the combination thereby dissolved or enjoined can easily reorganize into a new form fully as effective, and usually more so, than the original one. The Department of Justice in such action can take no cognizance of the moral question involved, because the Supreme Court has laid down the principle that the Sherman law applies to a combination in restraint of trade, whether that restraint be reasonable or unreasonable, regardless of the nature of the effects thereof. Should the Sherman law be strictly enforced—were such a thing physically possible—it would not only put out of existence substantially every freight-traffic association in the country and produce absolute chaos in railroad affairs, but would be as destructive against substantially every company holding a majority of the stock of any corporation engaged in interstate commerce, such as the United States Steel Corporation and hundreds of others of similar companies. In short, should the principle which I believe is involved in the proposed case against the International Harvester Co. be finally established by the Supreme Court, we would have on our hands a principle that we should be glad to escape from at almost any cost.

Finally, this case against the company is a civil, not a criminal, one. Delay will not affect the case through any statute of limitations. If there is a good, equitable case against the company, it will be in a thousandfold better shape for trial after the investigation by the bureau than now.

These considerations explain and justify the attitude taken by the International Harvester Co., which attitude represents, I believe, that of a majority of the financial interests of the country. The cooperation that these interests have almost uniformly given to the bureau in the past leads me to believe that a majority of the great leaders of industry at present, either openly or secretly, favor, to a greater or less degree, the general policy of the administration as to the regulation of combinations, believing that such is the proper solution of the great industrial problems of the country; that while they see the need of regulation, they are right in claiming the correlative privilege of protection as long as they abide by the principles of fair business. If, now, by such a retrogression, through the crude theory represented by the Sherman law, these interests are shown that prohibition and not regulation of combinations is to be carried out, they will feel that there is nothing left for them but to fight, and their great influence will be thrown against not only this but any other attempt at corporate reform. In the specific instance involved this matter is demonstrated. The mere refusal of the Steel Corporation to give further information, except at the end of a lawsuit, would practically cripple the steel inquiry of the bureau. Unquestionably, such refusal would be the first step in the fight. While the administration has never hesitated to grapple with any financial interest, no matter how great, when it is believed that a substantial wrong is being committed, nevertheless, it is a very practical question whether it is well to throw away now the great influence of the so-called Morgan interests, which up to this time have supported the advanced policy of the administration, both in the general principles and in the application thereof to their specific interests, and to place them generally in opposition. The tremendous moral effect on other corporation managers produced by the past attitude of the Steel Corporation and other Morgan interests, in favor of publicity and fairness of operation, will be destroyed, or rather reversed, and the experience of these interests will stand as an example to other corporations and be cited by them against the administration, just as it is now being cited by the Standard interests, as Mr. Perkins states. I believe that Mr. Perkins's statement that his interests would necessarily be driven into active opposition was a sincere one; and, in fact, I can hardly see how those great interests can take any other attitude should this prosecution be started and the final adoption of this policy be made public.

Very respectfully,

HERBERT KNOX SMITH.

DEPARTMENT OF COMMERCE AND LABOR,
BUREAU OF CORPORATIONS,
Washington, September 23, 1907.

The PRESIDENT,
Oyster Bay, N. Y.

MY DEAR MR. PRESIDENT: I send you herewith my letter relating to the proposed suit against the International Harvester Co. I found that in order to state the case satisfactorily to myself I had to be very frank in giving my own views, but I felt that you would pardon me for doing so, and I knew that the letter would come only under your personal observation.

Very respectfully,

HERBERT KNOX SMITH, Commissioner.

DEPARTMENT OF COMMERCE AND LABOR,
OFFICE OF THE SECRETARY,
Washington, September 23, 1907.

The PRESIDENT,
Oyster Bay, N. Y.

MY DEAR MR. PRESIDENT: Mr. Smith has shown me his letter to you, which we carefully discussed, and which I thoroughly indorse, as it makes clear the position of the Bureau of Corporations, and at the same time, I take it, your own position regarding what you purpose to effect.

Should you determine not to prosecute this case against the International Harvester Co. until after the bureau has completed its investigations, I would suggest for your consideration the advisability of making public in connection with the announcement of this decision on your part, and as reason therefor, such a statement as is contained on pages 6 and 7 and the first half of page 8 of Mr. Smith's letter, with such modifications as would eliminate the more personal and specific references contained therein, and simply use it as a statement of the general principles which govern the administration in disposing of this and like cases.

Very truly, yours,

OSCAR S. STRAUS,

OYSTER BAY, N. Y., September 24, 1907.

Hon. CHARLES J. BONAPARTE,
Attorney General.

MY DEAR MR. ATTORNEY GENERAL: The President directs me to send you for your confidential reading the inclosed letters from the Secretary of Commerce and Labor and the Commissioner of Corporations concerning the Harvester Trust. Please bring them with you when you come to see the President Thursday, as he wishes to talk the matter over with you.

Very truly, yours,

WM. LOEB, JR.,
Secretary to the President.

Mr. JOHNSTON of Alabama. Mr. President, I have heard the statements made by the Senator from Kansas [Mr. BRISTOW] in regard to these resolutions, and I want to say that I have been desiring, with other Senators, to see the whole correspondence in regard to this Harvester Trust from the beginning to the end; but, as the Senator from Kansas has stated, the Attorney General declined, for reasons of public interest, to furnish it. I thought it was better to have half a loaf than no bread, and so I called for information to furnish which required no special delay on the part of the Attorney General, and he responded. How that resolution was transmitted to him I do not know. I have no information about it. After the resolution passed the Senate, I had no further concern in reference to it. If a special messenger was sent with the resolution, I am very glad that he was.

So far as the Attorney General or the President having anything to do with my introduction of the resolution, or anyone else, I want to say that it has not been my pleasure to see either the Attorney General or the President, or anyone connected with their offices, for 30 days, and I never have had this subject under discussion with them.

I do not know why the Senator from Kansas is so much disturbed about this matter, because these were official communications that were sent here, and I had no idea that the President of the United States would have an official communication about a great public matter that he would dislike to have known to the public. I thought better of the office than that. I am very glad the Attorney General responded, because many people are interested in the subject. All Senators on this side of the Chamber have been trying to get some information from the Attorney General for more than a month. If I had a notion that there would be any special and instantaneous attention to any request of mine, I should have made the request 20, 25, or 30 days ago. I feel very much complimented by the prompt response. If the Senator from Kansas wants any further information, so far as the conduct of the present President of the United States is concerned, in regard to the Harvester Trust or any other matter of public concern, if he will prepare a resolution and bring it over here, I will introduce it for him, and I hope it will have as speedy a response.

Mr. CLARK of Wyoming. Mr. President, I am not called upon to speak for the Attorney General or for any other of the executive officers of this Government. I think, however, if the Senator from Kansas [Mr. BRISTOW] will look at the resolutions that have been presented here—the resolution of the Senator from Tennessee [Mr. LEA], the resolution of the Senator from North Carolina [Mr. OVERMAN], and the resolution of the Senator from Alabama [Mr. JOHNSTON]—he will find a marked distinction between the last and the first two. The two first resolutions call for information which the executive department for many years last past has held it was not proper to divulge. The resolution of the Senator from North Carolina calls for all correspondence and information they may have upon this subject—

together with any and all correspondence, information, and reports of the Bureau of Corporations relating thereto from January 1, 1904, to the present time.

That covers a tremendous amount of ground. It covers all information which the Bureau of Corporations gathered under a special act of Congress; it requires the reports of the Bureau of Corporations; it requires the correspondence between the Bureau of Corporations and the Harvester Co., if there was any.

It will be recollected by the Senate that about that time, or shortly afterwards, a committee of this body was called upon to investigate the absorption of the Tennessee Coal, Iron & Railway Co. by the United States Steel Corporation. The committee at that time called upon the then Attorney General for such information. It called the Commissioner of Corporations before it, and the Commissioner of Corporations declined to divulge the information which his bureau had gathered without being so instructed by the Executive. The Executive, holding that that law meant exactly what it said in terms and that the purpose of gaining this information by the Bureau of Corporations was to inform the President so that he might make suggestions to the Congress as to the legislation that ought to be had, the President at that time instructed the Attorney General and the Bureau of Corporations that that information could not be fur-

nished, and it was not furnished. Although in the committee and on the floor of the Senate the action of the Executive was criticized, no definite action was taken thereon by the Senate.

That is the character of information, I apprehend, the Attorney General has not yet furnished; and, indeed, if he were to do so, it would require a long time to get together all the reports and all the correspondence with the different parties, including the correspondence between the various executive officers. So, it is no wonder there has been delay in answering the resolution of the Senator from North Carolina.

On the contrary, the resolution of the Senator from Alabama provides—

That the Attorney General be, and he is hereby, directed to furnish the Senate with copies of the reports of the Secretary of Commerce and Labor and Commissioner of Corporations and instructions of the President concerning the proposed prosecution of the International Harvester Co. of America, made in the year 1907.

And so forth.

Evidently the only preparation necessary to answer the resolution was to turn to the files of that particular year or to the files of that particular case and send the papers to Congress. So, I think it ought not to be imputed either to the Senator from Alabama or to the Attorney General that either of them had entered into a hurried conspiracy to furnish this information for use to-day or to-morrow or on any other particular day.

Mr. BRISTOW. Mr. President, the Senator from Wyoming construes a defense for the Attorney General which that officer does not claim himself.

Mr. CLARK of Wyoming. I beg pardon. "The Senator from Wyoming" is construing no defense for the Attorney General.

Mr. BRISTOW. On the 16th day of March a resolution, almost verbatim with the resolution introduced by the Senator from North Carolina [Mr. OVERMAN], was introduced by the Senator from Tennessee [Mr. LEA]. That resolution called upon the Attorney General for exactly the same information as did the resolution of the Senator from North Carolina, and the Attorney General in his reply to this letter, on March 25, says:

In reply I am directed by the President to say that, in my opinion, it is not compatible with the public interests to lay before the Senate the correspondence and information relating to the International Harvester Co. in the possession of this department nor the correspondence, information, and reports of the Bureau of Corporations relating thereto.

Mr. CLARK of Wyoming. That is exactly what I called attention to.

Mr. BRISTOW. That resolution was repeated by the Senator from North Carolina [Mr. OVERMAN] on the 22d of April; then it was repeated on the 24th of April by the Senator from Alabama [Mr. JOHNSTON], omitting the request for the correspondence of the present Attorney General—only asking for the correspondence in 1907.

Mr. CLARK of Wyoming. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Wyoming?

Mr. BRISTOW. Yes.

Mr. CLARK of Wyoming. I must protest that my position shall not be misstated. The two resolutions do not ask for the same information. The last resolution, that of yesterday, asks for information in relation to the prosecution of the trust, directed to a particular state of things, not to the general files of the bureau.

Mr. BRISTOW. The resolution yesterday asked for information concerning the relation of the former President, his Attorney General, and the Bureau of Corporations with the International Harvester Trust. The resolutions introduced by the Senator from Tennessee and the Senator from North Carolina asked for the correspondence, the reports, and so forth, of both the preceding and the present Attorney General. The only difference is that the former resolutions covered both administrations, and what was asked for by those resolutions it was not compatible with the public interest to furnish; but the information called for by the resolution which covered the former administration it was entirely compatible to furnish, and is furnished, ready-made, by photographic copies.

Mr. CLARK of Wyoming. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield?

Mr. BRISTOW. Yes.

Mr. CLARK of Wyoming. I know that the Senator from Kansas does not willfully misstate my position, nor does he willfully misstate the inquiry. The inquiry of yesterday was directed absolutely, entirely, and solely to the proposed prosecution of the International Harvester Co. of America, made in the year 1907. That was all it was directed to; not the general prosecution of the Harvester Trust, not the general record of the Bureau of Corporations, not the general records of the Department of Justice, but solely and entirely concerning the proposed prosecution of the International Harvester Co. of America, made in the year 1907.

Mr. BRISTOW. Nineteen hundred and seven, but not in 1911 or 1912.

Mr. CLARK of Wyoming. Would the Senator from Kansas have the Attorney General, in answer to a resolution, go outside the resolution and answer as to other matters which the Attorney General has already said and the President has said are not compatible with the public interests to be furnished?

Mr. BRISTOW. The Senator from Wyoming has exactly the same understanding that I have in regard to this matter. I am simply calling attention to the fact that, in the opinion of the present Attorney General, it is not incompatible now with the public interests to give the private correspondence of his predecessor, but it is incompatible with the public interests to give his own correspondence with the Harvester Trust.

Mr. CLARK of Wyoming. Mr. President, I will ask the Senator, in making that statement, to show where the Attorney General says it is incompatible with the public interests to give his correspondence with the Harvester Trust.

Mr. BRISTOW. I will read it, if the Senator will permit me.

Mr. CLARK of Wyoming. I would like to have the Senator read it and read it very carefully.

Mr. BRISTOW (reading)—

In reply I am directed by the President to say—

Mr. CLARK of Wyoming. In reply to what?

Mr. BRISTOW. In reply to the resolution of the Senator from Tennessee [Mr. LEA].

Mr. CLARK of Wyoming. Will the Senator read the resolution?

Mr. BRISTOW. I will. It is as follows:

Whereas it is reported that there is pending before the Department of Justice a settlement between the United States and the International Harvester Co. by which the so-called Harvester Trust may be permitted to reorganize and to bring its organization and business within the Sherman antitrust law as construed by the Supreme Court: Therefore be it

Resolved, That the Attorney General be, and he is hereby, instructed to lay before the Senate all correspondence and information he may have upon this subject, together with any and all correspondence, information, and reports of the Bureau of Corporations relating thereto from January 1, 1904, to the present time.

Mr. CLARK of Wyoming. Mr. President, that is exactly the distinction to which I wanted to call the attention of the Senator from Kansas. The prior administration has held that the records of the Bureau of Corporations, which are mentioned in the resolution which the Senator has just read, are not for the public eye, but they are solely, as the law which created them says, for the information of the Executive in making recommendations to Congress, and the prior administration has held in the case of an investigating committee of this body that the records of that bureau could not be furnished, that it was incompatible with the public interests to do so. But the resolution of yesterday says nothing about that. The resolution of yesterday says nothing about the records of the Bureau of Corporations. Therefore the Attorney General, from his point of view, was justified. I will say that I am not in accord with the Attorney General on the proposition. I agree with neither the Attorney General of this administration nor the Attorney General of the previous administration, because I believe that the records of the bureau should be open; but it has been held by both that it is not compatible with the interests of the public service to furnish them, and so they have not been furnished. But the resolution of yesterday did not include that very pertinent direction.

Mr. BRISTOW. I will just read the resolution of yesterday and let the Senate come to its own conclusion. It reads:

Resolved, That the Attorney General be, and he is hereby, directed to furnish the Senate with copies of the reports of the Secretary of Commerce and Labor and Commissioner of Corporations—

Mr. CLARK of Wyoming. Go on. It does not end there.

Mr. BRISTOW. It continues:

and instructions of the President concerning the proposed prosecution of the International Harvester Co. of America.

Mr. CLARK of Wyoming. That is it exactly—the direction.

Mr. BRISTOW. If the reports of the Bureau of Corporations are to be held sacred in 1911 and 1912, why not in 1907?

Mr. CLARK of Wyoming. Mr. President, it is not the purpose to hold the records of the Bureau of Corporations sacred. The records of the Bureau of Corporations that are mentioned in this resolution are the records that bear upon the pending or proposed prosecution against the Harvester Trust; solely and only that. The former resolution called for all the records and information that the Bureau of Corporations had collected in relation to the Harvester Trust—two very separate and distinct propositions.

Mr. BRISTOW. Let me inquire of the Senator from Wyoming if the former resolution, introduced by the Senator from Tennessee [Mr. LEA], did not call for the information which was furnished yesterday?

Mr. CLARK of Wyoming. Yes; and for a great deal more. Therefore the information, according to the views of the President, ought not to be furnished.

Mr. BRISTOW. Would it not be more consistent, therefore, for the Attorney General, instead of saying, as he did, to the Senate on March 25:

In reply, I am directed by the President to say that, in my opinion, it is not compatible with the public interests to lay before the Senate the correspondence and information relating to the International Harvester Co. in the possession of this department, nor the correspondence, information, and reports of the Bureau of Corporations relating thereto—

Mr. CLARK of Wyoming. Mr. President, there is not any question between the Senator and myself on that. I do not hold with the present or with the former Attorney General. I think all this information ought to be furnished; but I do not agree with the Senator when he reflects upon a Senator in this body, and reflects upon the Attorney General for pursuing a course of action on this matter which to the Attorney General and to the President seemed proper, and pursuing it quickly, while not pursuing a course on another proposition that they thought improper.

Mr. BRISTOW. I have said nothing to reflect upon a Senator in this body. I never thought of such a thing.

Mr. CLARK of Wyoming. Yes; the Senator said that the information was prepared in advance of the resolution.

Mr. BRISTOW. I do think that the Attorney General knew that the resolution was going to be introduced, and had the answer ready. Everybody knows, who is familiar with this matter, that he could not have gotten it ready after he was notified that the resolution had passed; he certainly knew that it was going to be introduced and believed that it was to be passed. That is self-evident.

As to the suggestion of the Senator from Alabama, that if I desire any information from the Attorney General he will be glad to secure it for me, I regret that the Senator from Tennessee [Mr. LEA] and the Senator from North Carolina [Mr. OVERMAN] do not seem to have that magic influence over the Attorney General which the Senator from Alabama seems to have. I will admit, without question, that if I desired information from the Attorney General or the White House in regard to important matters I could get it a great deal quicker through the Senator from Alabama than I could secure it myself.

Mr. CLARK of Wyoming. The Senator has suggested that I was hasty in my statement; that there was a reflection, possibly, upon a Member of this body. I want to read from the RECORD, at page 5553, what the Senator from Kansas said yesterday:

Mr. BRISTOW. Evidently the letter was prepared before the resolution was introduced and the Senator from Alabama understood just what reply the Attorney General was ready to make.

Mr. BRISTOW. I want to inquire if the Senator from Wyoming thinks that that is a reflection upon the Senator from Alabama? It had not occurred to me that it was.

Mr. CLARK of Wyoming. I think that is a very decided reflection upon the Senator from Alabama.

Mr. BRISTOW. If it is a reflection upon the Senator from Alabama to indicate that he is upon such cordial and intimate terms with the Attorney General that he is conferred with by him upon important political matters, I then must apologize to the Senator from Alabama.

Mr. JOHNSTON of Alabama. I am upon pleasant terms, Mr. President, with the Attorney General; but I repeat now that I never, at any time in my life, had a conference with the Attorney General on this subject of the Harvester Trust, either directly or indirectly, and if he knew anything about my resolution being about to be introduced he did not get it from me, nor did I know that he had prepared any reply. If the Senator from Kansas thinks those things, he does himself an injustice. He is a very suspicious man, I know. I merely volunteered to help him get information. I think that the Attorney General or any other official of the Government would give proper information upon a polite request, backed by the judgment of the Senate.

Mr. OVERMAN. Mr. President, to add to the gayety of the occasion, I am going to ask that an extract from page 3836 of the CONGRESSIONAL RECORD, volume 44, be inserted after these letters. This was an extract published by the senior Senator from Missouri [Mr. STONE], beginning with "Mr. President, I have in my office a transcript of all the testimony taken up to Tuesday last," down through the balance of that page.

The PRESIDING OFFICER. The Senator from North Carolina asks unanimous consent that a portion of the RECORD indicated by him be printed in the RECORD of to-day's proceedings. Is there objection? The Chair hears none, and it is so ordered.

Mr. OVERMAN. It is asked that it be read, and though it will take some little time, if there is no objection I will ask that it be read.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

Mr. President, I have in my office a transcript of all the testimony taken up to Tuesday last. The attorney general, while here to-day, was interviewed by certain newspapers. His interview was offered to the Associated Press, but for some reason the manager of that great news agency declined to handle it. But I have a copy of the interview, and I intend to read it, not only that it may go into the RECORD, but for the information of the Senate, and in support of my contention. It is as follows:

"I am on my way home from New York City, and have stopped in Washington on official business connected with my department.

"I was in New York for the sole purpose of taking the evidence of George W. Perkins, of the firm of J. P. Morgan & Co., in the ouster suit of the State of Missouri against the International Harvester Co. of America, charged with violating its antitrust and conspiracy laws.

"The State secured from Mr. Perkins valuable and necessary evidence to make a case, and the State is now satisfied to close with his evidence.

"Among other things he squarely contradicted the evidence of Mr. McCormick, president of both the International Harvester Co. of America and its mother corporation, the International Harvester Co. of New Jersey. Mr. Perkins is himself a director in both of these corporations, and both corporations have the same officers and directors. The New Jersey corporation is the manufacturing concern and the America is its selling agent.

"J. P. Morgan & Co., through Mr. Perkins, promoted the merger of practically all the harvesting-machine interests in the country. The International Harvester Co. of New Jersey merged all the properties of the McCormick Harvesting Machine Co., the Deering Harvesting Machine Co., the Champion, the Plano, and the Milwaukee Harvesting Machine Co. The new corporation continues to manufacture the machines of these separate companies, preserving their separate makes and identities, and sells them at a uniform price, and there is now no competition as to the prices on these machines and the makes of other companies it has since purchased. The new company does 85 per cent of the harvesting-machine business not only of the State of Missouri but of the entire United States.

"Mr. Perkins admitted that the stockholders of each one of these independent companies which transferred its properties to the International Harvester Co. did so knowing at the time that they would be paid for the property transferred by taking and receiving stock in the new corporation, the International Harvester Co.

"Mr. Perkins further admitted that J. P. Morgan & Co., through him, controlled the entire business of the International Harvester Co. He further admitted that the new corporation after its organization bought the D. M. Osborne Co.'s business, because it cut the prices of harvesters and mowers abroad and at home.

"He further testified that he had kept his eye on the harvesting-machine business, and that the McCormick Harvesting Machine Co., with the prestige of J. P. Morgan & Co., could have controlled the situation alone had not the balance of the companies come in and transferred their companies. That being true, they can certainly control it now. He further admitted that William Lane, to whom the properties of all these companies were first transferred, was merely the conduit through which the title was passed to the International Harvester Co.

"Mr. Perkins said he was familiar with and controlled the business of the New Jersey corporation, yet did not know whether or not he was a director in the International Harvester Co. of America."

That is the selling concern—

"This seemed strange, especially when the International Harvester Co. of America was the selling agent of the New Jersey concern and organized by him for that special purpose, and whatever moneys the New Jersey concern received from the harvester business it had to receive through the International of America.

"The International of America being a subsidiary corporation of the International of New Jersey, and both corporations having the same president, we have a novel situation.

"President McCormick, of the New Jersey concern, must contract and deal with President McCormick, of the International of America. Which corporation derives the better bargain? An answer is unnecessary, because the stockholders of the New Jersey corporation get the profits, anyway, and it is simply a question of which hand shall be used in placing the money in their pockets.

"Mr. Perkins, Cyrus H. McCormick, and Charles Deering compose what is called the "voting trust" and hold all the stock, not only of the New Jersey corporation, but also all the stock, save \$900, in the International of America. They vote these stocks as they please, and it does not take a philosopher to solve the situation.

"The evidence of Mr. Perkins was taken in the office of J. P. Morgan & Co. before Alexander Taylor, a notary public, the evidence being reported by J. L. Roberts, of Marshall, Mo., the official reporter in the case. The only other parties present were myself and my assistant, C. G. Revelle, for the State, and Judge Seldon P. Spencer, of St. Louis, and Mr. Bancroft, general counsel for the company. The State, being satisfied with the evidence given by Mr. Perkins, will close its side of the case on July 12."

During the reading of the foregoing.

The PRESIDING OFFICER. The Secretary will suspend. The hour of 4 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 18642) to amend an act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes."

Mr. SIMMONS. I ask unanimous consent that the unfinished business be temporarily laid aside.

The PRESIDING OFFICER. The Senator from North Carolina asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection? The Chair hears none, and it is so ordered.

After the reading was concluded,

Mr. OVERMAN. Mr. President, I also want to call the attention of the Senate to as far back as December 17, 1906, when

Senator Hansbrough, of North Dakota, introduced the following resolution:

Resolved, That the Department of Commerce and Labor is hereby directed to make an early investigation into the character and operation and the effect upon interstate commerce of the combination or trust organization known as the International Harvester Co. and allied concerns engaged in the production, handling, and sale of farm machinery, the investigation to include an inquiry as to whether the prices and output of such machinery appear to be or to have been controlled and regulated by direction of any particular individual or combination of individuals, by a corporation or otherwise; whether there exists at present a healthy competition between local dealers in farm machinery, and whether the quality of the same is on the average as good as in former years.

Then in 1907 there was a debate in the Senate in regard to this resolution. The same Senator had introduced the following resolution:

Resolved, That the Department of Commerce and Labor be, and is hereby, directed to suspend its investigation into the affairs of the International Harvester Co., under the terms of a resolution authorizing such an investigation which passed the Senate December 17, 1906.

It was stated then upon the floor and in the debate that the reason why they wanted the Department of Commerce and Labor to suspend these operations was because the Attorney General did not think that he could bring suit against this harvester company while this investigation was pending. It was stated then upon the floor of the Senate by several Senators that he ought to go on and bring suit, anyway. I will read just one little colloquy between the Senator from North Dakota, Mr. Hansbrough, and the Senator from Georgia, Mr. Bacon.

Mr. HANSBROUGH. Mr. President, I have stated, in answer to the question asked by the Senator from Indiana [Mr. Beveridge] several times this morning, that the Department of Justice has but recently completed a very exhaustive investigation of this company; that it is ready to proceed in the courts, and that the only reason it does not proceed is on account of the courtesy—to use a different term, so that my friend from Indiana may comprehend it—the courtesy that is supposed to exist between the several departments.

Mr. BACON. But has the Senator from North Dakota information that the Department of Justice is suspending its operations in order that it may await the action of the Department of Commerce and Labor in response to the direction of this body?

Mr. HANSBROUGH. No, Mr. President; not that it is suspending its operations, but that it prefers to proceed without interruption such as a report from another department might cause. The Department of Justice has an abundance of information already.

Mr. BACON. If there is nothing of the kind, then, I do not see how it can interfere.

Mr. HANSBROUGH. I have stated that the Department of Justice is ready to proceed with the case; that it has gathered enough information to justify it going on with the prosecution, and that the only thing which prevents that action is the fact that an investigation of the same subject is supposed to be in progress by the Department of Commerce and Labor.

Mr. BACON. Mr. President—

Mr. BEVERIDGE. I ask the Senator if it is a matter of duty or courtesy?

Mr. HANSBROUGH. The Senator may call it "courtesy" or "duty," as he pleases. I am stating the facts as I understand them.

Mr. BACON. I want to know from the Senator if he has any official information that the Department of Justice is suspending its action in beginning this prosecution on account of the pendency of this resolution?

Mr. HANSBROUGH. I will state to the Senator from Georgia that the Department of Justice knows nothing of the existence of this resolution.

Mr. BACON. That the Department of Justice is not proceeding because of this resolution? Has the Senator any official information of that fact?

Mr. HANSBROUGH. I have told the Senator from Georgia as clearly as I knew how, and I stated to the Senator from Indiana [Mr. Beveridge], but I seem to be unable to make either one of the Senators understand, that the Department of Justice is ready to proceed if the Department of Commerce and Labor be relieved of the responsibility of further investigation.

It goes on. Then there is a colloquy between Mr. Clay, of Georgia, and other Senators in regard to this matter, and a demand is made for the prosecution of this Harvester Trust upon the floor of the Senate by a suggestion, and then comes this letter. It seems that these are the letters which have been published in this document in response to the resolution of the Senator from Alabama [Mr. JOHNSTON]. The head of the Bureau of Corporations of this Department of Commerce and Labor, Mr. Herbert Knox Smith, it seems from this letter and from his former action, thinks he is independent of Congress; that he has a right to criticize the Supreme Court in its decision; that he has a right, as he thinks, to construe the Sherman Antitrust Act. I read this paragraph from him:

I therefore feel that the starting of a suit under the Sherman law against this company would, in the first place, be a moral injustice, and, in the second place, would be a reversal of the correct and advanced modern policy of the President in dealing with corporate business.

It is submitted that this case raises acutely a question of general policy of great importance, which must be, I think, determined now, and for which this case will stand as a precedent. This case raises the question included in what the President has called "good and bad trusts"; the question whether mere combination as such, shall be prohibited; whether the Government is going to try to forbid all combinations, regardless of their methods or ends, or whether, on the other hand, it is going to pursue the policy, frequently stated by the President, of regulation and control rather than of prohibition.

He also says:

I believe that industrial combination is an economic necessity; that the Sherman law, as interpreted by the Supreme Court, is an economic absurdity and is impossible of general enforcement, and even if partially enforced will in most cases work only evil.

Mr. WILLIAMS. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Mississippi?

Mr. OVERMAN. I yield.

Mr. WILLIAMS. I should like to ask the Senator from North Carolina, because perhaps I have misunderstood, is the language which he has just read a quotation from an executive officer of the United States in connection with the law of the United States?

Mr. OVERMAN. I am reading the letter of Herbert Knox Smith to the President at Oyster Bay, N. Y.

Mr. WILLIAMS. Was that received by the Chief Executive of the United States in due time?

Mr. OVERMAN. It is supposed to have been received by the President.

Mr. WILLIAMS. Is it possible that I understand from what the Senator from North Carolina says that the Chief Executive of the United States assumes to himself the power to suspend the laws of the United States whenever in his opinion they are foolish or unwise?

Mr. OVERMAN. That construction might be put on it, I think.

Mr. WILLIAMS. Or is it possible that I am mistaken about that?

Mr. OVERMAN. I am reading the document. Possibly the Senator is right on that subject.

Mr. WILLIAMS. The Senator is certain that his quotations are correct?

Mr. OVERMAN. I am reading from the document printed by Congress.

Mr. CLARK of Wyoming. I think the Senator from Mississippi is mistaken as to the date.

Mr. WILLIAMS. Do I understand that without any statute to that effect the Chief Executive of the United States has ever asserted the right to recall a law, together with the decision of the court about the law?

Mr. OVERMAN. What I am reading is a letter from the Department of Commerce and Labor by the Commissioner of the Bureau of Corporations, Herbert Knox Smith.

Mr. WILLIAMS. To whom was that letter written?

Mr. OVERMAN. It is written to the President.

Mr. WILLIAMS. Who was the President at that time?

Mr. OVERMAN. "Oyster Bay, N. Y., August 26, 1907"—does the Senator desire me to read that letter?

Mr. WILLIAMS. No; but I wanted the information. Who was President at that time?

Mr. OVERMAN. Theodore Roosevelt.

Mr. WILLIAMS. And he received that letter and never wrote any rebuke to the executive officer who wrote the letter to him?

Mr. OVERMAN. The only information I have on that subject is his letter addressed to the Attorney General.

Mr. WILLIAMS. Would the Senator mind reading that to see how that letter was received?

Mr. OVERMAN. The letter of Herbert Knox Smith was dated Washington, September 21, 1907, and the letter from the President is dated Oyster Bay, N. Y., August 22, 1907. It is as follows:

OYSTER BAY, N. Y., August 22, 1907.

MY DEAR MR. ATTORNEY GENERAL: Mr. George W. Perkins, of the International Harvester Co., has just called upon me and submitted to me certain papers of which I inclose copies. According to these papers and to Mr. Perkins's statements it would appear that the Harvester Co. has repeatedly, on its own initiative, asked that its business be investigated by the Department of Commerce and Labor through the Commissioner of Corporations; that three years ago the Interstate Commerce Commission decided that it had accepted what amounted substantially to rebates; that Mr. Moody, the then Attorney General, was about to take action on this report, but the Harvester Co. at once promised to rectify the practices and see that nothing contrary to the ruling of the commission was again done. This was satisfactory to the Attorney General and the suit was dropped. The Harvester Co. says it is in position to prove that it has lived up to this agreement made in May, 1904. The Harvester Co. advances this as a proof that if any illegal action is pointed out it will itself rectify the matter on its being pointed out. It further appears that last December Senator Hansbrough got the Senate to pass a resolution directing the Department of Commerce and Labor to make an early investigation into the character and operation, and effect upon interstate commerce, of the International Harvester Co., and that in January last Messrs. Garfield and Smith met various representatives of the Harvester Co. in New York, and a conclusion was reached that the department would begin the examination as speedily as possible, which conclusion was announced publicly in the press. On March 7 Commissioner Smith notified the Harvester Co. that the inquiry would be into the incorporation value of its property, securities, and the general management of its business. It appears by his letter of August 8 that Commissioner Smith has begun the investigation, but has not made such progress with it as he would

like to on account of his being crowded with work. Mr. Perkins's request to me is that, before the company is exposed to the certain loss and damage that the mere institution of a suit would entail, this investigation by Mr. Smith as required by Senate resolution should be carried to completion. He explicitly states to me that there would be no intention to plead the examination by the Department of Commerce and Labor as conferring any immunity from proceedings by the Department of Justice.

Will you see Mr. Perkins and Commissioner Smith, go over the matter in full, and report to me thereon?

Please do not file the suit until I hear from you.

Mr. WILLIAMS. How is that letter signed?

Mr. OVERMAN. Theodore Roosevelt.

Mr. WILLIAMS. President then of the United States?

Mr. OVERMAN. President of the United States. That was in August, 1907.

Mr. WILLIAMS. Chief Executive?

Mr. OVERMAN. Chief Executive.

Mr. WILLIAMS. Sworn to observe and execute the laws of the United States.

Mr. OVERMAN. Then the Secretary to the President of the United States, Mr. Loeb, writes to the Attorney General September 24, following this letter of Herbert Knox Smith, as follows:

OYSTER BAY, N. Y., September 24, 1907.

Hon. CHARLES J. BONAPARTE,
Attorney General.

MY DEAR MR. ATTORNEY GENERAL: The President directs me to send you for your confidential reading the inclosed letters from the Secretary of Commerce and Labor and the Commissioner of Corporations concerning the Harvester Trust. Please bring them with you when you come to see the President Thursday, as he wishes to talk the matter over with you.

Very truly, yours,

WM. LOEB, JR.,
Secretary to the President.

Mr. RAYNER. May I ask the Senator who was Attorney General at that time?

Mr. OVERMAN. Charles J. Bonaparte.

Now, Mr. President, I agree with the Senator from Wyoming that all of these records ought to be open to the Congress of the United States. I very well remember, for I was a member of the committee, he being chairman of the subcommittee sitting with the Senator from Texas [Mr. CULBERSON] and others, when we tried to get some testimony that had been taken by this department, over which this Mr. Herbert Knox Smith presided, concerning the Steel Trust. We could not get it. We asked for it, and they denied it to us. They referred us to the President, who said we could not have it; that there were certain confidential communications; so we could not get it. It seems that this man Smith is there, bigger than Congress, bigger than the Government, and he is withholding these reports. Some five or six years ago he was instructed by Congress to make this report. He has never made a report to Congress of his investigation, and here we have been seesawing between the Department of Commerce and Labor and the Department of Justice; and when we are assured here on the floor of the Senate that the Department of Justice has been investigating this trust and is ready to bring suit, all at once there is silence and nothing is said. The evidence I have shown, brought out in this record, is that this Harvester Trust is one of the greatest trusts in America to-day; that they not only have bought out 85 per cent of all the harvester machinery companies in this country, but they have absolutely bought the patents on the knot tyers, so that no machine company or manufacturing establishment can operate at all. Here is a letter that shows the operations of this trust:

MEADVILLE, PA., February 18, 1907.

Hon. H. C. HANSBROUGH,
United States Senate, Washington, D. C.

DEAR SIR: Your letter of February 15, in reply to my letter of the 12th instant, received and carefully noted.

Replying, will say that prices at which machines were sold to farmers previous to the formation of the trust were about as follows: Mowers, \$35 to \$38; present prices, \$42 to \$45. Binders, \$90 to \$100; present prices, \$115 to \$125.

Regarding the quality of machines manufactured by the trust, will say that it is a matter of common report by their employees that their machines are not nearly so well manufactured as they were before the merger, and the complaint is general that there is more difficulty in keeping the machines in the field in good working order.

Regarding the efforts of the trust to crush out competition, will say that the same tactics employed in former years by the Standard Oil Co. are now used by the Harvester Trust; and when they are unable to hold a dealer to their full line, they invariably make a big effort to crush his business by arranging with some one to represent them in the same territory and then throw a very heavy force of canvassers into the field and endeavor to secure the business, and in cases of this kind the goods are sold at prices way down below the regular wholesale price, and in this connection will call your attention to the case of the Akron Carriage & Implement Co., Akron, Ohio, who, after a disagreement with the trust and their methods at the close of the season of 1905, contracted to sell the Adriance line for season of 1906, and they were able to dispose of five carloads of our machines, notwithstanding the fact that the trust threw a heavy force of canvassers into the field and kept them there throughout the season, and their employees reported at the end of the season that the goods they sold did not nearly pay the expense incurred in making sales, or, in other words, more money was expended in making the sales than was received for the goods.

Now, while they were not successful in driving our agents out of the business in the case of Akron, they made it very expensive for the Akron Carriage & Implement Co., and virtually there were no profits in the business for them, but at the same time they established their right to do business and are continuing.

While the trust failed to secure the trade at Akron, there are other places where they have succeeded and the independents have been driven out of business.

At Akron last year they offered to sell binders at retail at \$90, and in some cases as low as \$65.

Another method, and one quite often adopted to crush competition, is for the trust to offer employees of an independent company a heavy advance in salary, and whenever any one of our employees makes a good record in securing a nice lot of business for us, they invariably receive an offer of a heavy advance in salary if they will desert us and take up the sale of the goods manufactured by the trust. It is not an infrequent occurrence for one of our employees who is receiving \$75 per month to receive an offer of \$100 per month.

While employees of an independent company are tempted to desert and work for the trust, their term of service is usually very short, and after a few months they are invariably discharged or salaries reduced.

Now, while prices have been advanced on goods manufactured by the trust, the salaries of their employees have been reduced to quite a considerable extent, and very many of their best men have been compelled to seek employment in lines other than that of harvesting machinery.

Trusting that the information contained herein will be of assistance to you in bringing the matter properly before the Department of Commerce and Labor, and with best wishes, I am,

Yours, very truly,

H. A. JOHNSON.

Yet there is no prosecution, and when Congress passes a resolution and when Congress asks for an investigation there is not anything except these letters that we have now in response to the resolution of the Senator from Alabama.

It had been stated in the papers by a gentleman in the other House, Mr. GARDNER, if I may call his name, that such testimony as this could be given, that there were such letters in existence; and another Member of the House, upon the floor of the House of Representatives, charged it. I suppose, in obedience to what was said there, the Senator from Alabama, learning what Mr. CAMPBELL had said and what Mr. GARDNER had said, desired to have this correspondence, and his resolution was offered by reason of what was said on the floor of the House. I suppose he introduced his resolution for that reason, and now we have the facts before us.

Mr. NELSON. Mr. President, ordinarily I do not care to participate in a sort of quasi political discussion, as this seems to be, but in the interest of the truth and in order that the Senate may be informed of the true situation, I ask leave to call the attention of the Senate to certain facts.

In the session of 1902-3 we passed here in the Senate a bill creating a Department of Commerce. While it provided for a great many bureaus, took up many bureaus from the other departments and gathered them into this new department, and while it provided for some new bureaus as it passed the Senate, it did not provide for a Bureau of Corporations. When the bill went to the House a brief paragraph was put in creating a Bureau of Corporations, but giving it little or no power. The bill came back here with that amendment and some other amendments. It went into conference. I was chairman of the committee of conference on the part of the Senate, the original bill being a bill that I had introduced and helped to steer through the Senate.

While the bill was pending in conference—and inasmuch as this is public business I am violating no secrecy—the President sent for me and said that this Bureau of Corporations was not equipped with sufficient power and that paragraph in the House amendments ought to be amended. I suggested to him that we had better have an amendment prepared such as he thought would be appropriate for the case. He said that he would direct a member of his Cabinet to do it. I came down the next day, I think, and he handed me an amendment which included what I shall read now—

The said commissioner shall have power and authority to make, under the direction and control of the Secretary of Commerce and Labor, diligent investigation into the organization, conduct, and management of the business of any corporation, joint-stock company, or corporate combination engaged in commerce among the several States and with foreign nations excepting common carriers subject to "An act to regulate commerce," approved February 4, 1887, and to gather such information and data as will enable the President of the United States—

Now, listen—

as will enable the President of the United States to make recommendations to Congress for legislation for the regulation of such commerce and to report such data to the President from time to time as he shall require—

Now, listen to this language—

and the information so obtained, or as much thereof as the President may direct, shall be made public.

I demurred against that part of the paragraph; but I was told that the only way to get full information was to leave it with the President to determine whether such information should be made public or not. In other words, it was to be the basis of presidential recommendation for legislation. We had some difficulty on the conference committee. We finally agreed

to it. So that provision, under which both President Roosevelt and President Taft have acted, is based upon this legislation that I have quoted, and I have given you the origin of it.

Immediately following the panic of 1907, the question came before the Judiciary Committee of investigating the merger and consolidation of the Tennessee Iron & Coal Co. with what is commonly called the Steel Trust. While that investigation was pending it was referred to a subcommittee, I think, of five or seven; I am not sure which. I was a member of the subcommittee. We tried to get information about the so-called Steel Trust from the Bureau of Corporations. We applied directly to Commissioner Smith. He refused to furnish us information, referred us to the President, and from that source we could get nothing. We got this information, however, that the President directed Commissioner Smith to send all the papers relating to the matter to the White House, and that he got the papers down there at the White House, and, to use a slang phrase, "sat down" on them there. We never got any further.

Mr. BACON. If the Senator will pardon me a moment, that application was made, I understand, by the committee.

Mr. NELSON. It was made by the committee.

Mr. BACON. Not by the Senate.

Mr. NELSON. It was made in regular form by the Judiciary Committee.

Mr. CULBERSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Texas?

Mr. NELSON. Certainly.

Mr. CULBERSON. The request was made by the subcommittee.

Mr. NELSON. Perhaps by the subcommittee.

Mr. CULBERSON. I have the proceedings in my hand.

Mr. NELSON. The Senator from Texas [Mr. CULBERSON] was a member of the subcommittee.

Mr. WILLIAMS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Mississippi?

Mr. NELSON. Certainly.

Mr. WILLIAMS. My astonishment grows momentarily. I am anxious to satisfy my curiosity. Who was at that time President of the United States? Who "sat down" on you?

Mr. NELSON. At the time of this occurrence Roosevelt was President.

Mr. WILLIAMS. And he is the Chief Executive of the United States who at that time "sat down" upon the sources of information?

Mr. NELSON. Yes, sir; under this paragraph of the law that I have quoted, which was put into the law at his suggestion.

Now, I am not talking for political purposes. I have only this to say, that in what President Taft has done in this matter, if it is a subject of criticism, he has done nothing worse than his predecessor, President Roosevelt, did. If there is now being withheld the result of the investigation of the Bureau of Corporations in reference to the Harvester Trust, it is exactly the same thing that President Roosevelt did in reference to the so-called Steel Trust.

Mr. President, I remember very well how much put out we were about the fact that we could not get the data in that case from Commissioner Smith. I presume it is on the same ground and on the same basis that Theodore Roosevelt acted that President Taft has acted. So if one is guilty, the guilt of Taft comes from following an evil example that has been set by his predecessor—an evil example originating in the legislation of the character I have indicated. I do not see how under those circumstances anyone can fairly and justly criticize President Taft.

Mr. REED. Does the Senator from Minnesota mean to say that if Roosevelt did an evil thing, that establishes a precedent which ought to be followed by other Presidents?

Mr. NELSON. Oh, I am not here to lay down any moral code.

Mr. REED. Or that it furnishes any palliation?

Mr. NELSON. I am simply here to give a few bald, naked facts to the Senate.

Mr. REED. But it was the Senator's conclusion I was suggesting.

Mr. NELSON. The Senator from Missouri will have to apply his own moral code to this proposition.

Mr. REED. I was anxious to ascertain if the Senator from Minnesota had any moral code that he would apply to it.

Mr. BRISTOW. It is perfectly apparent that there is no disposition here to criticize President Taft on that side of the Chamber.

Mr. WILLIAMS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Mississippi?

Mr. BRISTOW. I do.

Mr. WILLIAMS. I, for one, would protest against that ex cathedra utterance of the Senator from Kansas. If he can show me that in part the present President of the United States has traveled in the same pathway that the ex-President traveled in, as just a moment ago was indicated by the Senator from Minnesota, whose honesty and patriotism are recognized by every Member of this body, I will condemn the present President as fully as the ex-President. I protest against the right of the Senator from Kansas to blanket all of us in that ex cathedra way with indifference to the public service. I remember, if the Senator from Kansas does not, that one King of England lost his head and that another lost his throne because he dared set up his individual judgment against the law of England, and I protest that the Senator from Kansas has not the right to blanket me at any rate with indifference to executive suspension of laws by any President of the United States, this one or the other one. I hope the Senator will not be so unjust as to continue that sort of affirmation.

Mr. BRISTOW. The Senator from Kansas has no desire or intention of being unjust. From the statements made by the Senator from Minnesota [Mr. NELSON], it seems that the ex-President and the present President are entirely within the law in withholding information from the Senate. It seems that the present President has complied with the law, so far as his own administration is concerned, but he did not think it incompatible with the public interests to print letters which were inclosed by the Secretary of the former President, the immediate predecessor of the present President, to his Attorney General, which letters accompanied the inclosures, as follows:

OYSTER BAY, N. Y., September 24, 1907.

HON. CHARLES J. BONAPARTE,
Attorney General.

MY DEAR MR. ATTORNEY GENERAL: The President directs me to send you for your confidential reading the inclosed letters from the Secretary of Commerce and Labor and the Commissioner of Corporations concerning the Harvester Trust. Please bring them with you when you come to see the President Thursday, as he wishes to talk the matter over with you.

Very truly, yours,

WM. LOEB, JR.,
Secretary to the President.

This information or this correspondence, the confidential correspondence of his predecessor with the Chief of the Bureau of Corporations and the Attorney General, the present President thinks perfectly proper and appropriate to expose to the public, but he has not yet seen fit to furnish the Senate the information which is asked concerning his own administration. That is the only criticism that I have made here at all, for the President, according to law, seems to have had a perfect right to withhold information which the Senate asked. That is within his power.

Mr. WILLIAMS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Mississippi?

Mr. BRISTOW. I do.

Mr. WILLIAMS. Mr. President, of course I have no brief to defend any Republican President of the United States, nor am I undertaking to defend this one; but in connection with the charge against the other one—the one who preceded him—I would ask the Senator from Kansas this question: Does he think that private and confidential correspondence between the Chief Executive of a great Nation and the head of a paid Government bureau ought to be regarded as sacred to the extent of not being communicated to the American people upon demand by the legislative department of the Government, and does he not really think that the present Republican President of the United States would have violated his duty to the American people if he had failed to give to them this so-called confidential private correspondence about a public matter, which took place between a previous Republican President and the chief of an executive bureau, on demand of Congress?

Mr. BRISTOW. It seems that the Congress thought that it was entirely proper to authorize the President to withhold correspondence with the Bureau of Corporations if he saw fit to do so, and the law that was enacted authorized him to do so.

Mr. CULBERSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Texas?

Mr. BRISTOW. I do.

Mr. CULBERSON. Mr. President, I call the attention of the Senator from Kansas to this suggestion: Did not the authority of the law read by the Senator from Minnesota seek merely to keep this information from the general public, and was it the purpose to withhold it from Congress, or either House thereof, if it saw proper to request it of the President?

Mr. BRISTOW. Well, if it comes to Congress, of course it is the general public, because it is a part of the public records, and they are printed and distributed everywhere, so that if there is fault in this—

Mr. STONE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Missouri?

Mr. BRISTOW. I do.

Mr. STONE. Mr. President, the matter now before the Senate, sent here in obedience to a resolution of the Senate, concerns the correspondence had between the President of the United States, the Commissioner of the Bureau of Corporations, and the Secretary of Commerce and Labor; and that had reference to the institution and prosecution of a suit against the International Harvester Co. for a violation of the Sherman anti-trust law. I can not see, as the Senator from Kansas sees it, how that comes within the inhibition of law read by the Senator from Minnesota. That law provided for the establishment of a Bureau of Corporations and conferred certain powers on the commissioner at the head of that bureau to make investigation into the affairs of corporations, into their business, their methods of business, and everything pertaining to their business, and to lay that information, obtained through the medium of such investigations, before the President; and the law conferred upon the President the discretionary power or right to give to the public the whole or any part or none of that particular information. This, however, is an entirely different matter; it is not covered by either the language or the meaning of that statute.

Mr. BRISTOW. I beg to differ with the Senator from Missouri. The principal part of this document is a long letter from the Chief of the Bureau of Corporations to the President in regard to the International Harvester Co., giving the results of his investigation of the trust.

I wish simply to add that if I were President of the United States it would have to be a matter of grave public concern, in which vital interests of the country were affected, before I would dig up the confidential correspondence of my predecessor with his secretary and his Cabinet officers in regard to matters which he had a perfect moral and legal right to keep within the confidences of the departments, and print them. I certainly would not do so for the purpose of securing a political campaign document.

Mr. WILLIAMS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Mississippi?

Mr. BRISTOW. I do.

Mr. WILLIAMS. Mr. President, this is rather a day of Democratic rejoicing. It seems to me that perhaps now we may find out what the Republican Party really has been trying to do with regard to trusts and corporations. This is a day of uplifting. There are more uplifters and reformers abroad in the land than there ever were before in the history of this or any other country. Imagine, therefore, my astonishment—my astoundment—when I found to-day one of the chief uplifters protesting against lifting up the lid upon a correspondence between a Chief Executive and one of his subordinates about the public business.

Mr. BRISTOW. Mr. President—

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Kansas?

Mr. WILLIAMS. Certainly.

Mr. BRISTOW. Of course the Senator from Mississippi is referring to me, I infer.

Mr. WILLIAMS. Of course, when I say "one of the chief uplifters" no one could mistake the fact that I referred to the Senator from Kansas.

Mr. BRISTOW. I want to say here that I have made no protest against the publication of anything, nor shall I make any protest.

Mr. WILLIAMS. Then, Mr. President, I have thoroughly misunderstood the entire purport and length of the address of the Senator from Kansas.

Mr. BRISTOW. The criticism—

Mr. WILLIAMS. I have hitherto been somewhat confused as to whether the Senator from Kansas was chiefly paralyzed by the suddenness or by the certainty of the information which had been sent to the Senate [laughter], but I have never been confused about the fact that my friend from Kansas, whom I honor so highly, and whom I welcome so gladly as a reformer of all American institutions, meant to take the lid off of everything and let the American people have full sight of it. I am not mistaken in that, am I? [Laughter.]

Mr. BRISTOW. Mr. President, I desire to say to the Senator from Mississippi that my criticism has not been against any

publications that have been made, but against the manner in which they have been made and other information withheld.

So far as this being a day for Democratic rejoicing is concerned, I will admit it seems to be; but the days for Democratic rejoicing are numbered, and I hope that our Democratic friends will enjoy them while they last.

Mr. WILLIAMS. Mr. President, well, that is wise advice, for they may not last always. For that reason I am taking advantage of the present occasion. [Laughter.]

Mr. President, it seems to me now and then that I am one of the stupidest individuals in the world, and the thought occurred to me a moment ago. It seems that I have been so stupid as to thoroughly misunderstand the entire purport, intent, and end of the recent discourses by my friend from Kansas. I really did think, in my ignorance and stupidity, that he was protesting against the fact that the present Republican President of the United States had taken the lid off of some correspondence of a past President of the United States, equally, or shall I say "more progressively," a Republican than the present one. If I have misunderstood him, of course I attribute none of the misunderstanding to the lack of capacity on the part of the Senator from Kansas to explain himself; but in my usual humility I attribute every bit of it to my own stupidity and lack of mental concordance.

Mr. President, leaving out the little matter between the Senator from Kansas and me, to go into the question—a broader question—for a moment—

Mr. BRISTOW rose.

Mr. WILLIAMS. Meanwhile, however, before I go into it, of course I will consent to be interrupted by the Senator from Kansas.

Mr. BRISTOW. I will withhold my interruption for the present.

Mr. WILLIAMS. Very well. Leaving that all out, it seems to me that there are lessons in running brooks and rolling stones, and lessons even for the comprehension of machine, stand-pat Republican Senators in all of this; and it seems to me that one of the lessons is this: That so long as you try by bureaucratic methods to control trusts and corporations who are trying to effect monopolies you are making a mistake; that you must have a general law, and that that law must be prescribed beforehand, must be uniform in its operation on all, and either known to all men or knowable by all men who will take the trouble to inquire, so that there may be a government of laws and not a government of men; and it seems to my poor intellect evident that whenever you put the regulation or control of public affairs into the hands of a bureau, whenever you inaugurate a bureaucracy for the purpose of controlling trusts, or I care not what, you are trenching upon dangerous ground, and that whenever you leave to the discretion of an executive officer the execution of what ought to be a plain, uniform, prescribed law for the governance and guidance of all men, you are harking back toward despotism and you are retreating from the threshold of liberty and free government.

The apostle of the "Church of Latter-day Saints, according to the doctrine of St. Theodore" [laughter], long ago uttered this sapient piece of wisdom, namely, that you can not extirpate, you can not by law stop trusts, but that you have to regulate them by bureaucratic discretion, and that, in order that the discretion may be perfectly perfect—and I hope the Senator from Kansas understands the difference between the adjective "perfect" and the adjective "perfect" as modified by the adverb "perfectly"—in order that you may be perfectly perfect in this new way of doing things, it is necessary that the bureau should be subject to the absolute control of the Chief Executive, and that nothing should have the lid lifted off of it in the bureau unless the Chief Executive says so, and then, as a corollary to that great, sapient utterance of modern statesmanship, the late President added this, "Good trusts must be treated kindly and bad trusts must be treated severely"; in other words, that a trust—and this correspondence discloses the correctness of that construction—a trust which supports the administration must be dealt with leniently and a trust that fights the administration must be dealt with severely. That is all you can get out of it. I defy even the Senator from Kansas, with his acute intellect, to get one thing out of this correspondence except just that.

Perkins had been kind to the late President's administration. The Steel Trust had been kind. They both indicated that they were "in accord" with the administrative policy and administrative methods, and therefore the President advised himself, and he was advised by the Chief of the Bureau of Corporations, not to make them mad, because if they got mad they might fight; in fact, Perkins said he "would fight," and he said it out loud. [Laughter.] He said it to the chief of the bureau,

and he commissioned the chief of the bureau to tell the Chief Executive of the United States, who is sworn to execute the laws of the United States.

What happened later with regard to the Tennessee Coal & Iron Co., about which that honest man, whom all in this body reverence, the Senator from Minnesota [Mr. NELSON], has just told the true story? The bureau had been "seen"; the bureaucrat had been "interrogated"; the Chief Executive had been "seen," and he had been interrogated, too. They were good friends; it was a "good trust," and was not doing any harm. The President knew its officers were not doing any harm because they said so themselves. [Laughter.] They told him they were not doing any harm, and they told him they did not mean any evil.

For Brutus is an honorable man;
So are they all, all honorable men.

So the President said, "Not meaning any evil, we must not disturb these honorable men; they must be allowed to go on in their own way." There may be a "technical" violation of the prescribed and uniform laws of the United States, but it is not a real violation; it is an outward and visible misrepresentation of "an inward spiritual grace," and so we will not indict them—and that is not all—"I as Chief Executive of the United States will agree beforehand that they shall not be indicted." "Do I contend"—we imagine him saying—"as President and as Chief Executive that they have not technically violated the law? God forbid; I merely say it is 'a technicality' and a violation within the sound discretion of the Executive, with which the legislative and judicial branches of the Government ought not to interfere."

So, what have you after you get through with all of it? You have the most contemptible form of government in the world. The despotism of one wise man is wisdom in comparison with it; it is freedom in comparison with it. The rule of an enlightened aristocracy is heaven in comparison with it. You have a bureaucracy, an irresponsible government of irresponsible heads of irresponsible bureaus, reporting secretly to an Executive, who executes or not as in his sound discretion, or unsound discretion, or political discretion, or administrative discretion, or campaign discretion, may seem advisable. That is what you have got; and there is absolutely no release from it.

Mr. BACON. Will the Senator kindly tell us what he means by "campaign discretion"?

Mr. WILLIAMS. I will in a second; but before I do that, I want to say that I stand here in the middle of this aisle—and I took the middle of the aisle on purpose—absolutely impartial. I have no leaning toward the "stand-pat" crowd; I have no leaning toward the "Progressive Republican uplift" crowd, according to the doctrine of special privileges under the tariff and other doctrines which the Republican Party has always stood for. I hate neither of them more than I do the other; I love neither of them more than I do the other; and, as a matter of personal relationship, I really do love you both. I do not spend nor misspend the time hating you at all; I pity you. [Laughter.] I pity you especially when you quarrel with one another, because you are both so evidently right whenever you charge the other with almost anything. [Laughter.] Why, Mr. President, when they charge one another with anything, so far as my experience goes, they never let up until they prove it. [Laughter.] That is the only reason why I have ever faltered in my loyalty to the democracy. We frequently make charges, but do not follow them up; we do not prove them; we are too little persistent; we are too charitable; we are too much actuated by the milk of human kindness; we hate to run a fellow into a hole and reduce him down to where he has no defense at all; but you have no pity on one another, and whenever you get into a quarrel of this sort I sympathize with both of you.

When I said to-day that this was the Democratic opportunity, I did not mean the Democratic opportunity for Democratic partisan victory; I meant Democratic opportunity to show equal tolerance and equal charity to both sides of the Republican divided household.

There is not a thing that you can say of one another that I do not indorse. [Laughter.] There is not a thing evil and misgoverning that you can say of one another that the recent history of the United States does not affirm; but you say it with too much vitriol; you say it with too much bitterness. You ought to say it with that good humor that ought to characterize men like me, who are "reasoning together in brotherly love" as colleagues in the same party.

Now I yield to the Senator from Georgia.

Mr. BACON. I simply wanted the Senator to explain what he meant by "campaign discretion."

Mr. WILLIAMS. Campaign discretion?

Mr. BACON. Yes.

Mr. WILLIAMS. That phrase is absolutely inexplicable, because it is so extensive [laughter]; but I will illustrate to you what I mean by "campaign discretion." I have forgotten how many candidates there are for President; but as near as I can remember there is just one—only one—who has never opened his mouth in favor of a reduction of a single tariff duty on a single article. Even the present President of the United States says there are excrescences that ought to be lopped off. "Campaign discretion!" Well, when a man indulges in that sort of wise silence about the tariff, perhaps "campaign discretion" goes to the contemplation of the possibility of getting campaign contributions from the tariff barons. "Campaign discretion!" Let us see again. Perhaps if I were President of the United States—I started to instance the Senator from Kansas, but I will not do so, because he is impeccable and I am a sinner, so I will take myself—if I were President of the United States, and wanted heavy contributions from the trusts of this country, I would see Gary, the head of the Steel Trust, and his associates, and I would find out what form of bureaucratic regulation of the trusts they desired, and then I would come out publicly and indorse it. That is another form of "campaign discretion," perhaps followed by campaign contributions.

Mr. BACON. I will take the privilege of reminding the Senator that he used the expression "campaign discretion" in connection with the question of whether or not a law should or should not be enforced.

Mr. WILLIAMS. Oh, yes. That has a historic precedent, too. Back in the history of England at one time King James II, who was a Roman Catholic and dissatisfied with the laws of England regulating religion in that island kingdom, concluded that he would go out and make friends among "the mammon of unrighteousness," to wit, the Quakers and nonconformists; whereupon he issued a ukase suspending the laws which constituted and established a church in Great Britain. Now, everybody to-day admits that the King was right in substance and 200 years ahead of his time. He issued an edict of religious toleration in Great Britain, suspending the laws of Great Britain which had established a church. It is true that King James II was least of all men a devotee of the principle of religious toleration. His idea was that he would split up the people who were supporting the then existing law and get part of them to favor the administration of the chief executive there by tolerating their public worship, and meanwhile he would suspend the public law against his own sect. The effort did not succeed very brilliantly, and some little time after he tried it, he concluded that he had better disappear from the soil of Great Britain. He did so. The Parliament of Great Britain met and declared the throne abdicated, and they declared the throne abdicated because as king and chief executive of Great Britain he had undertaken to substitute his wit, his wisdom, and his judgment for the wit and wisdom and judgment of the legislative branch of the Government of Great Britain—the Parliament of Great Britain—the representatives of the people of Great Britain. That was what you would call "campaign discretion" in the face of a great fight that was coming up; in other words, a use or abuse of the executive power in order to make friends for the administration by dividing the enemy.

Mr. REED. Mr. President—

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Missouri?

Mr. WILLIAMS. Certainly.

Mr. REED. A moment ago the Senator from Mississippi spoke of the attitude of a Mr. Perkins toward the then President as shown by these letters, and he referred to the fact that he had substantially notified the Executive—

Mr. WILLIAMS. That he would not play any longer unless the Executive made the Attorney General play right. He said, "I will not play in your back yard at all." [Laughter.]

Mr. REED. I desire to ask the Senator, merely for information, if that is the same Perkins who was reported in the newspapers a few weeks ago as having traveled through a very severe storm in his automobile to bear a message to one Theodore Roosevelt, and if he is the same Perkins who is reported to have subscribed \$15,000 to the present campaign of Theodore Roosevelt?

Mr. WILLIAMS. Now, Mr. President, I am mighty cautious, I am awfully cautious, about making assertions upon newspaper authority, because I have found out, by long public experience, that, although the newspapers never misrepresented me, so far as I know, except by now and then overpraising me when I do not deserve it, that the popular political mind is very distrustful of the truth of what they say. I can, therefore, answer the question of the Senator from Missouri only by saying that I have seen a pretty general newspaper consensus of opinion to

the affirmative effect in answer to his question; but I really do not know Perkins. It has never been my misfortune to be very close to plutocrats of any description. Perhaps that accounts for my political purity and disinterestedness.

I do not know Perkins, and I have never been brought in contact with him, politically or otherwise, and I do not know whether he is the Perkins who did the traveling, or whether or not the Perkins who contributed the money is the Perkins who told the President that he "would not play in his back yard," unless he ordered the Attorney General not to prosecute him and his folks. Without denying or affirming that proposition, I merely say that, so far as I know, it is possible that the Senator from Missouri may be reaching the point of identity with his interrogation.

Mr. REED. Let me ask the Senator whether the rule of idem sonans would not apply in this case?

Mr. WILLIAMS. There are so many Perkinses. I would hate to believe that; because I remember when I came back from Europe, once, on finishing my collegiate education, I picked up a paper at Port Eads, off New Orleans, and read that one John S. Williams had been that morning sent to jail for stealing a ham. [Laughter.] I am not willing to suppose it is the same Perkins on the sole ground that it is idem sonans. Perkins, individually, is plutocratic and much revered, but the surname Perkins is too common to frame an indictment on.

I wonder if the Senate would forgive me if I read a part of the creed of "the Church of Latter-day Saints according to the gospel of St. Theodore." I wonder if the Senator from Kansas subscribes to this creed. Now, do not misunderstand me. The ex-President was always exceedingly kind and courteous to me. Personally no man ever treated me better. There is no man that I would rather have at Cedar Grove to entertain than the ex-President of the United States. I would take a perfect delight in giving him the best of everything I had. There is no one I would rather spend a few days with at Oyster Bay than the ex-President. He is a delightful fellow personally. I do not think that he is just exactly all that some of his utterances would tend to make us believe that he thinks he is, but still I think he is a very fine fellow in many unofficial ways. I feel almost tempted to ask the Senator from Kansas if he subscribes to this creed:

[Mr. WILLIAMS having learned with much astonishment that what he here read would be misconstrued by many Christian people, struck it out of the permanent Record.]

Are you going to come out and profess this sacrilegious creed or not? Are you going to come out for the third term, you standpatters, you people over there, if he is nominated? Are you going to bury every bit of the knowledge you have learned about American institutions? Are you going to support him because he is running under a party emblem? Are you going to forget what Washington did and said? Are you going to forget what Jefferson did and said?

Mr. NELSON. Mr. President—

Mr. WILLIAMS. One second. I am right in the midst of a piece of eloquence now. [Laughter.] Are you going to forget what Andrew Jackson did and said? Are you going to forget what William McKinley, upon the same subject of a third term, did and said? And are you going to forget that the only constitutional difference between us and Mexico and the so-called South American Republics consists in the fact that they reelect Presidents and dictators forever, so long as a fellow can by military or civil machinery reelect himself? Are you going to bury all that behind you just because of keynote phrases—"Progressiveness" with a big "P"; uplift with a great big "U"? There are more ways of progressing in this world than by hero worship; there are more ways of lifting up the world than by forgetting your own history and forgetting the history of the remainder of the world.

Mr. NELSON. Mr. President—

Mr. WILLIAMS. There are more ways of getting ahead for the American people than by merely Mexicanizing American institutions. I hope the Senator from Minnesota will excuse me, but it seemed to me for a minute or two that I was going to make that exordium so eloquent at the hoped-for end of it that I could not bear to be interrupted; and I think that just at the time when I was growing most eloquent, if he had sat down, instead of looking at me with that peculiarly friendly expression of countenance, I would have made it eloquent sure enough, but he has destroyed my period. I now, therefore, yield to the Senator from Minnesota.

Mr. NELSON. Sitting back in my seat and listening to the eloquent remarks of the Senator from Mississippi about the ex-President, and to his reading of the prayer, and all of that, I could not help but sympathize with the Democratic Party. If Mr. Roosevelt should be our next President, you will get the worst of it on your side.

Mr. WILLIAMS. Ah, Mr. President, the Senator from Minnesota should not confine his sympathy to the Democratic Party. If the ex-President should be elected, the Senator may extend his sympathies to the entire American people; he may extend his sympathy, with pity bound up with it, to American institutions and the spirit of American freedom and constitutionalism. He need not confine his sympathy to one faction or one party in this great Nation; he may look ahead of him, as the Roman people might well have looked when Marius was elected for the sixth term as consul, and have seen what was necessarily before them.

Mr. President, the people have a right to do what they please in a free country; but even the people themselves can not avoid the necessary consequences of what they do. A step once taken is followed by its necessary consequential steps, and no amount of flattery or worship of the people themselves, no amount of imaginary devotion to ideal free institutions, can prevent a mistake made by the people or made by anybody else from being followed by its consequences.

God's only law to this world is this: That an act must be followed by its consequence. That, as well as I can decipher it, is His only predestined punishment. If ever you cut loose from the safe moorings which have prevented executive authority in the United States from becoming perpetual, from sinking into Caesarism—which after all was nothing but the power exerted by the real electorate, which happened in that case to be the legions, to reelect and reelect again a Caesar and then to elect his successor for life—if you ever cut away from the safe moorings which have prevented the executive authority of the United States of America from becoming self-successive, you may flatter yourselves and you may flatter the people, you may deceive yourselves and you may deceive the people, by imagining that your people are wiser and smarter than any other people that ever lived, which is not true, but you can not avoid the necessary consequences of your act and you will have sounded, in potentiality if not in actuality, the knell of freedom as translated into free institutions in America to-morrow. The Senator need not confine his sympathies to a faction or a party or a section, but he can extend them and in course of time, with his usual sagacity and wisdom, he will, as a good man must, extend them to the entire American people and their children and children's children, who will cease to be the example of law-regulated self-government to all the world.

Mr. BRISTOW. Mr. President, I hold no brief to speak for the ex-President of the United States, Mr. Roosevelt, but he will be remembered as a great political leader, who has contributed in a marvelous way to the benefit of his country and to the elevation of its citizenship, after his traducers are forgotten.

The Senator from Mississippi has taken occasion to criticize severely the bureaucratic form of government which permits a President to withhold information for which the Senate asks, but that criticism should be directed against the Congress itself. It passed the law and it can not avoid the responsibility of that law by criticizing the President who followed it. The Senator very eloquently referred to the fact that two English Kings had lost their heads because they violated the laws of the country. The former President has never been successfully accused of violating the laws of his country. An action which an American President may take in the exercise of his executive functions may be criticized—it may be justly criticized.

But so far as Mr. Roosevelt's action is concerned, I have abundant faith in his ability to speak for himself and to speak effectively. That can be said of him more than of any other man in public life to-day, or who has been in American politics for a quarter of a century; moreover, when he speaks, his language is responded to by more American people as the expression of their sentiments and their judgment than is that of any other man living in this Republic. Why is it that he is sweeping such great Republican States as Illinois and Pennsylvania in their primary elections? It is because the people who compose the rank and file of the great Republican Party believe in his integrity of purpose as well as in his intelligence and the soundness of his judgment. Talk about the American people sacrificing their liberties and themselves in hero worship! Do Senators undertake to compare the American people with the corrupt people of Rome in the days of the Caesars? Such intimations are an insult to American character. Compare Theodore Roosevelt's present campaign for the Presidency as similar to that of a Roman consul who had behind him the Roman legions. It is preposterous! If Mr. Roosevelt makes himself President, he will do so by responding to the well-defined public opinion that governs this country of ours.

We have but one sovereignty here, and that is the sovereignty of public sentiment, and it is an enlightened public sentiment. That Mr. Roosevelt believes in the integrity and the judgment and the wisdom of the masses of the American people is not a

cause for criticism, but it is to his credit. The Senator and other high officials who now seek to discredit him by political collusion with Democratic leaders and erstwhile political opponents will discredit themselves, add to his laurels of victory, and make the American people love him more. Under their criticism he will grow stronger, because he has the everlasting truth on his side.

BARROOM LICENSES IN THE DISTRICT OF COLUMBIA.

Mr. JONES. I desire to give notice that at the close of the routine morning business to-morrow I shall ask the Senate to consider the bill (S. 5461) governing the granting of licenses for barrooms in the District of Columbia, and for other purposes.

Mr. GALLINGER. I move that the Senate adjourn.

Mr. CLARK of Wyoming. I ask the Senator to withhold his motion that we may have a brief executive session.

Mr. GALLINGER. Very well; I withhold the motion.

Mr. CLARK of Wyoming. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 3 minutes spent in executive session the doors were reopened, and (at 5 o'clock and 21 minutes p. m.) the Senate adjourned until to-morrow, Friday, April 26, 1912, at 2 o'clock p. m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate April 25, 1912.

POSTMASTERS.

FLORIDA.

William H. Berkstresser, Hawthorn.
H. K. Murphy, Mulberry.

LOUISIANA.

George H. Burnham, Amite.

NEBRASKA.

Amos W. Shafer, Polk.
Thomas J. Taylor, Wilber.

PENNSYLVANIA.

Luther M. Alleman, Littlestown.

HOUSE OF REPRESENTATIVES.

THURSDAY, April 25, 1912.

The House met at 10.30 a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

How beautiful and how wonderful are the works of Thy hands, O God, our Father. What wisdom, what power, what majesty back of it all. How exalting and ennobling to the contemplative soul. And what dost Thou require of man for all the wonders and powers Thou hast bestowed upon him, but to love mercy, do justly, and walk humbly before his God? Strengthen us in our weakness, that we may fulfill these requirements day by day. In the spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

DIPLOMATIC AND CONSULAR APPROPRIATION BILL.

Mr. SULZER. Mr. Speaker, I call up the conference report on the disagreeing votes between the two Houses on the diplomatic and consular appropriation bill (H. R. 19212).

The SPEAKER. The Clerk will read the report.

Mr. SULZER. Mr. Speaker, I ask unanimous consent to have the statement read instead of the report.

The SPEAKER. The gentleman from New York [Mr. SULZER] asks unanimous consent to have the statement read in lieu of the report. Is there objection? [After a pause.] The Chair hears none.

The conference report is as follows:

CONFERENCE REPORT (NO. 587).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 19212) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1913, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 4, 5, 6, 7, 11, 17, 23, 27, 28, and 31.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 9, 10, 14, 16, 18, 19, 20, 21, 22, 23, 24, 25, 29, and 30, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$45,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$555,500"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$355,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$35,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "together with the unexpended balance of the appropriation made for this object for the fiscal year 1912, which is hereby reappropriated and made available for this purpose"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$340,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$450,000"; and the Senate agree to the same.

WM. SULZER,

H. D. FLOOD,

W. B. MCKINLEY,

Managers on the part of the House.

CHARLES CURTIS,

F. E. WARREN,

B. R. TILLMAN,

Managers on the part of the Senate.

The Clerk read the statement as follows:

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 19212) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1913, submit the following written statement in explanation of the effect of the action agreed upon and recommended in the accompanying report as to each of said amendments, namely:

On amendment No. 1: Strikes out the increase of \$1,000 per annum to the agent and consul general at Cairo, as proposed by the Senate.

On amendment No. 2: Appropriates \$45,000 for chargé d'affaires ad interim, instead of \$40,000 as proposed by the House and \$50,000 as proposed by the Senate.

On amendment No. 3: Makes the total correspond to the amounts agreed upon.

On amendments Nos. 4, 5, 6, and 7: Strikes out the increases of \$900 per annum for each of the secretaries to Japan, Turkey, and China, as proposed by the Senate, and makes the total correspond to this action.

On amendment No. 8: Changes the phraseology of the bill without changing the sense in any way.

On amendments Nos. 9 and 10: Appropriates \$2,000 for an assistant Turkish secretary to the Embassy to Turkey, as proposed by the Senate, and makes the total correspond to this action.

On amendment No. 11: Restores the word "repairs," as proposed by the House, thus making the sum carried by "Contingent expenses, foreign missions," available for this purpose.

On amendment No. 12: Appropriates \$355,000 for contingent expenses, foreign missions, instead of \$300,000 as proposed by the House and \$375,000 as proposed by the Senate.

On amendment No. 13: Appropriates \$35,000 for transportation of diplomatic and consular officers in going to and returning from their posts, instead of \$25,000 as proposed by the House and \$50,000 as proposed by the Senate.

On amendment No. 14: Changes the word "Legation" to "Embassy."

On amendment No. 15: Reappropriates and makes available the unexpended balance of the appropriation for the fiscal year 1912, for "Emergencies arising in the Diplomatic and Consular Service," instead of reappropriating and making available said balances for the fiscal years 1910, 1911, and 1912, for this purpose, as proposed by the Senate.

On amendment No. 16: Strikes out the words "for the year ending June 30, 1913," from the appropriation for the International Bureau of Weights and Measures.

On amendment No. 17: Strikes out the provision appropriating \$10,000 for the repairs to legation and consular buildings, as proposed by the Senate.

On amendment No. 18: Appropriates \$2,500 for the Bureau of the Interparliamentary Union for the Promotion of International Arbitration at Brussels, as proposed by the Senate.

On amendment No. 19: Appropriates \$5,000 for the International Institute of Agriculture at Rome, as proposed by the Senate.

On amendment No. 20: Appropriates \$400 for the International Railway Congress, as proposed by the Senate.

On amendment No. 21: Strikes out the words "for the calendar year 1913," from the item for the International Sanitary Bureau, as proposed by the Senate.

On amendment No. 22: Appropriates \$1,300 for the International Seismological Association, as proposed by the Senate.

On amendment No. 23: Inserts the words "in accordance with the special agreement concluded for that purpose August 18, 1910, and the schedules of claims thereunder, including office rent in the District of Columbia, and," in the paragraph relating to the arbitration of outstanding pecuniary claims between the United States and Great Britain, as proposed by the Senate.

On amendment No. 24: Appropriates, in the language and amount proposed by the Senate, \$40,000 for the International Congress of Hygiene and Demography instead of \$10,000, as proposed by the House.

On amendment No. 25: Appropriates \$7,156 for the Permanent International Council for the Exploration of the Sea, as proposed by the Senate.

On amendment No. 26: Strikes out the appropriation of \$50,000 for the Second Pan-American Scientific Congress, as proposed by the Senate.

On amendment No. 27: Strikes out the appropriation of \$2,500 for the compilation of Chinese treaties, as proposed by the Senate.

On amendment No. 28: Strikes out the appropriation of \$5,000 for the International Conference on Maritime Law, as proposed by the Senate.

On amendment No. 29: Appropriates \$5,900 for the International Radiotelegraphic Conference, as proposed by the Senate.

On amendment No. 30: Appropriates \$15,000 for expenses of consular inspectors instead of \$10,000, as proposed by the House.

On amendment No. 31: Strikes out the appropriation of \$10,000 for 10 additional consular assistants, as proposed by the Senate.

On amendment No. 32: Appropriates \$340,000 for allowance for clerk hire at United States consulates, instead of \$300,000 as proposed by the House and \$350,000 as proposed by the Senate.

On amendment No. 33: Appropriates \$450,000 for "Contingent expenses, United States consulates," instead of \$400,000 as proposed by the House and \$471,600 as proposed by the Senate.

The bill as finally agreed upon appropriates \$3,638,047.41, and is \$350,469 less than the appropriations for the current fiscal year.

WM. SULZER,
HENRY D. FLOOD,
WILLIAM B. MCKINLEY,

Managers on the part of the House.

Mr. HAMLIN and Mr. SULZER rose.

Mr. SULZER. Mr. Speaker—

Mr. HAMLIN. Mr. Speaker, in order to raise the question, I desire to make a point of order.

Mr. SULZER. I have the floor, Mr. Speaker.

The SPEAKER. The gentleman from New York [Mr. SULZER] has the floor. What is it that the gentleman from Missouri desires to do?

Mr. HAMLIN. I think I have the right to make a point of order against the conference report.

The SPEAKER. That is true, if the gentleman will state it.

Mr. HAMLIN. That is what I am trying to do.

The SPEAKER. That is what the gentleman has the right to do.

Mr. HAMLIN. The statement of the conferees that has been read is not the statement that is printed in the RECORD. The Clerk read amendment No. 20. That amendment is not printed in the RECORD at all, and the figures given by him are not given in the RECORD. I think the statement ought to be, and must be, properly and correctly printed in the RECORD.

The SPEAKER. That is entirely correct.

Mr. HAMLIN. I ask the Clerk to read amendment No. 20 again.

The SPEAKER. The Clerk will read the item.

The Clerk read as follows:

On amendment No. 20: Appropriates \$400 for the International Railway Congress, as proposed by the Senate.

Mr. HAMLIN. The RECORD reads—I will call the attention of the Chair to the fact—that No. 19 "appropriates \$5,000 for the International Institute of Agriculture at Rome, as proposed by the Senate," and the next amendment, also numbered 19, appropriates \$5,000 for the International Railway Congress, as proposed by the Senate.

Mr. SULZER. That is a mistake of the printer; that is all. We are not responsible for that mistake.

Mr. HAMLIN. It may be a mistake of the printer, but my point of order is that this report is not in order to be considered until it has been properly printed in the RECORD.

The SPEAKER. The gentleman is correct.

Mr. FITZGERALD. Mr. Speaker, I wish to call the attention of the Chair to the fact that there is no error in the conference report as printed in the RECORD. The error, if any, is in the statement which, under the rule, must accompany the conference report.

The SPEAKER. The Chair was at first under the impression that it was in the conference report.

Mr. FITZGERALD. It has been universally held that the Chair will not pass upon the sufficiency of the statement which accompanies the report, but that that is a matter which must be determined, if at all, by the House. This report is correctly printed in the RECORD. It appears, however, that in the statement accompanying the report no reference is made to one amendment appropriating \$400. I doubt if the House would attempt to say that under such circumstances the statement accompanying the report does not comply with the rule.

Mr. MANN. Mr. Speaker, the rule requires that the conference report and the statement shall be printed in the RECORD. In this case it appears that what purports to be the conference report and the statement accompanying it are printed in the RECORD, but the Speaker has before him the statement, and it appears that that was not printed in the RECORD.

Mr. FITZGERALD. Mr. Speaker, the rule has been uniform. It has been repeatedly held that the Chair will not assume to determine the sufficiency of the statement which accompanies the report. That is what is to be determined in this instance—whether this statement, from which is omitted reference to one amendment, complies with the rule requiring a statement to accompany every conference report.

Mr. MANN. If the gentleman will permit, I think that is not quite the question. If the statement of the House conferees had nothing in it about amendment 20, that would not be subject to a point of order, but the statement of the House conferees does have in it a reference to amendment No. 20, but that part of it was not printed in the RECORD.

Mr. SULZER. That was a mistake of the Public Printer. No mistake appears in the printed statement filed.

Mr. MANN. Undoubtedly.

Mr. HAMLIN. I think there is no doubt of that.

Mr. SULZER. The printed statement as it is on file in the House is correct, but the Public Printer made a mistake in one item, No. 20, from which he left out the sum of \$400. This error should not militate against the present consideration of the matter.

Mr. HAMLIN. Just a moment. I should like to call the attention of the House to what I regard as the reason of the rule.

Mr. SULZER. There is no mistake in the printed conference report as it appears in the RECORD. The point made is technical, and not well taken.

The SPEAKER. If gentlemen will suspend, the Chair will read a decision of Mr. Speaker Carlisle, found on page 776, paragraph 6511, Volume V of Hinds' Precedents:

It is for the House and not the Speaker to determine whether or not the detailed statement accompanying a conference report is sufficient to comply with the rule. On February 28, 1887, the conferees on the river and harbor appropriation bill presented with their report a statement, as required by the rule, and it was read.

Thereupon Mr. William P. Hepburn, of Iowa, made the point of order that the statement was meager in its character and not a compliance with the rule.

The Speaker [Mr. Carlisle] decided:

The rule requires the managers of the conference on the part of the House to make this detailed statement; but the Chair does not feel it is in the province of the Chair to determine whether that report is sufficient or not. That is for the House to determine. Another rule requires that when committees report back to the House bills, resolutions, etc., such bills, etc., shall be accompanied by reports in writing. It frequently happens that a committee does nothing more than recommend in one or two lines the passage or rejection of a measure; and the objection has sometimes been made that these reports are insufficient, but that has been held to be a question which the Chair can not decide. The Chair can not assume the responsibility of examining all the reports and determining whether they are sufficient. That is involved in the question now pending, whether the House will consider the report. If it is thought that the statement is insufficient and that that is a reason why the House should not consider the report, that, of course, will control the votes of the gentlemen on the floor.

Mr. MANN. But, Mr. Speaker, if the Speaker will permit—
The SPEAKER. The gentleman from Illinois.

Mr. MANN. That ruling was made before there was any rule about printing the statement in the RECORD. The rule requiring the printing of conference reports and statements in the RECORD before they are considered is a recent rule, and it provides that it shall not be in order to consider the report of a committee of conference until such report and the accompanying statement have been printed in the RECORD, except during the last six days of the session. Now, the gentleman from Missouri [Mr. HAMLIN] does not make the point of order that the statement is not sufficient, but he makes the point of order that the statement has not yet been printed in the RECORD.

Mr. HAMLIN. It has not been printed in the RECORD.

Mr. MANN. A reading of the statement shows that that statement has not been printed in the RECORD.

Mr. SULZER. The gentleman is in error. The statement has been printed in the RECORD.

Mr. MANN. The statement, as read, has not been printed in the RECORD.

Mr. HAMLIN. The statement which has been read is not the same as the statement which has been printed in the RECORD.

Mr. SULZER. That is the Public Printer's fault, at all events. This is such a technicality that I am surprised any gentleman should raise it.

Mr. MANN. That is another question.

Mr. SULZER. The statement filed on the part of the managers of the House was clear and explicit. It was filed and printed in the RECORD in accordance with the rules, but the Public Printer left out one item of \$400 to pay the pro rata share of the Government of the United States to the International Railway Congress. To dispose of the matter, however, I ask unanimous consent that the RECORD be corrected in that regard.

The SPEAKER. The gentleman from New York asks unanimous consent that the RECORD be corrected so that the statement will appear correctly. Is there objection?

Mr. HAMLIN. Reserving the right to object, I want to ask the gentleman this question: There are some matters in this report which I think the House ought to fully understand, and I think we ought to have some time to discuss some of these amendments.

Mr. SULZER. I will yield the gentleman such time as he wants to discuss any amendment. How much time does the gentleman desire?

Mr. HAMLIN. I want at least 30 minutes.

Mr. SULZER. Very well; I will yield the gentleman in my time 30 minutes.

The SPEAKER. Is there objection to correcting the RECORD in relation to the statement?

There was no objection.

Mr. SULZER. Mr. Speaker, before I yield the floor to the gentleman from Missouri, I want to explain this conference report. The diplomatic and consular appropriation bill as it was reported from the Committee on Foreign Affairs and as it passed the House carried in the neighborhood of \$500,000 less than the appropriations for the last fiscal year and over \$800,000 less than the estimates for the next fiscal year. The pruning of the estimates submitted for various purposes was conscientiously done where it could be afforded the most easily without present or future injury to any agency of the Government provided for in this appropriation bill.

Mr. GARNER. Will the gentleman yield?

Mr. SULZER. Yes.

Mr. GARNER. In amendment 32 the House appropriated \$300,000, the Senate increased it to \$350,000, and the agreement in conference is \$340,000. How did the conferees arrive at the \$340,000?

Mr. SULZER. I will explain that. The conferees on the part of the House made every effort to keep all appropriations down to the minimum. The State Department sent word to the Senate that if this appropriation was cut it would be necessary for the Government to discharge 42 employees in the Consular Service.

Mr. GARNER. Why did not the House committee have the information when the House made up the bill?

Mr. SULZER. That information was substantially before the committee. My recollection is Mr. Carr, of the Consular Bureau, testified before the committee that the department could not get along if any serious cut was made in the estimates; that the department needed every dollar that was asked for in the Consular Service and would use that amount for the next fiscal year.

Mr. GARNER. The gentleman states that that amount of money was used last year. Where did he get his information?

Mr. SULZER. The information was before the conferees.

Mr. GARNER. I would like to have the gentleman put that in the RECORD. How much money was used, according to the statement of the State Department, last year?

Mr. SULZER. The information before the conferees was that every dollar appropriated in the bill for the Consular Service was absolutely necessary, will be used for the present fiscal year, and will be needed for the next fiscal year.

Mr. GARNER. The gentleman just said that the State Department had told the Committee on Foreign Affairs that they needed every cent for which they estimated, and the gentleman said that they cut out \$500,000 from the estimates. I want to call the gentleman's attention to another thing. In this identical item for 1911 appropriations, the only one we have an accounting for by the State Department, they only spent \$285,000, although there was \$300,000 appropriated. Now the gentleman comes along and undertakes to tell the House that the House appropriated \$300,000, which is \$15,000 more than they used the year before, and that the Senate increased it to \$50,000; but the conferees were unable to secure an agreement cutting that more than \$10,000, when the record showed that they used \$285,000 of the 1911 appropriation.

Mr. SULZER. Mr. Speaker, I will reply to that as I go along. I want to make my statement in a connected manner. This bill was carefully prepared and considered by the Committee on Foreign Affairs, and reported to the House unanimously. The total estimates submitted aggregated \$4,449,697.41; the amount appropriated for the last fiscal year was \$3,988,516.41; the bill as it passed the House, carrying the appropriations for the next fiscal year, totaled \$3,418,791.41, which was a reduction of \$569,825 less than last year's appropriations.

The Senate increased the appropriations \$369,566. The bill as agreed on finally in conference between the Senate and the House conferees now carries appropriations for the fiscal year of 1913 of \$3,638,047.41, which is \$811,650 less than the estimates, and is \$350,469 less than the appropriations in the last diplomatic and consular appropriation bill.

Mr. GARNER. Mr. Speaker, if the gentleman will permit, I want to call his attention to the fact that he has not undertaken to answer my question.

Mr. SULZER. I am coming to that, I will say to the gentleman. I am talking now about the money we have saved the taxpayers in this bill—at least \$350,000 less than last year. Think of that. That is a considerable saving to the taxpayers of the country. I speak advisedly when I say that there has not been for years an appropriation bill from any committee which went so far along the lines of real economy as the present diplomatic and consular appropriation bill for the next fiscal year. But more. The bill as agreed upon in conference is \$350,469 less than the appropriations for the current year—that is, the year 1912—and over \$800,000 less than the estimates submitted by the department. That is a saving of more than 25 per cent on the estimates, and more than 10 per cent between the amount appropriated last year and the amount appropriated this year—quite an item.

This is the first annual appropriation bill to pass this Congress, and if every one of the other appropriation bills does as well as has been done in this appropriation bill, which saves the taxpayers more than 10 per cent between last year and this year, it will aggregate a net saving to the taxpayers of the United States for the fiscal year 1913 of over \$125,000,000. That will speak well for economy. The record of the Committee on Foreign Affairs for economy this year speaks for itself, and deserves the commendation of this House and the taxpayers of the country.

Now a few words regarding the foreign service. For every dollar that we appropriate for the foreign service the people of

the United States get back in actual money which goes into the Treasury Department about 15 per cent. But, as a matter of fact, for every dollar expended in our foreign service there comes back, directly or indirectly, to the taxpayers and the business people of the country a hundred dollars for one. Our Department of State is the most economical branch of the entire Government, and nobody can successfully controvert the statement.

The value of the foreign service to the Government, to American commerce, and to the individual citizen is now recognized and can not be gainsaid. It is no longer merely political, but it has become to a large extent an efficient nonpartisan instrument for the expansion of American commerce and the extension of American enterprise, securing for American commercial interests fair and equal trade opportunity with the peoples of other countries, and it assures to the individual citizen the protection of his rights the world over. It is through its agency that the entire business of the Government in its relations with other Governments is conducted; and, as I said, for every dollar expended for the foreign service the people of the United States receive directly or indirectly one hundred for one in return.

There is not a dollar appropriated in this bill that is not absolutely necessary; there is not an item in the bill that should be stricken out, and if it were it would subject us to severe condemnation on the part of the business people of the United States. I will do nothing to cripple the Department of State, which is doing so much for our foreign trade and commerce. It is a matter of gratification for me to say—and I know I voice the sentiments of our people generally—that there never was a time in the history of our country when our Diplomatic and Consular Service was so efficient and on so high a plane as it is to-day.

The gentleman from Texas [Mr. GARNER] calls my attention to amendment No. 32. This amendment relates to the Consular Service, and the amount appropriated is less than the estimates that came to Congress. The Secretary of State says that the amount appropriated for the Consular Service is absolutely necessary. We cut out \$50,000 in the committee and the House sustained the committee, but the gentleman from Texas and I knew we would have to increase it ere the bill became a law. I thought \$325,000 would be sufficient, but on the strength of all the telegrams and letters from the business people of the United States which we had before use, and upon the representations from the State Department, the House conferees compromised. We did the best we could, and finally agreed to \$340,000 for the Consular Service for the coming fiscal year, a saving of \$10,000. We believe that amount will maintain the Consular Service for the next fiscal year. It is doing splendid work. Nothing should be done in any way to hamper it.

We weighed everything that was before us and finally concluded that the department could get along with the \$340,000 without crippling the Consular Service in any way. We all know the Consular Service comes home to every business man in the country who is doing any foreign trade at all, and if there is any agency of the Government that the people of the United States are proud of to-day it is the foreign service with the great improvement that has been made in its consular branch, which has become so much improved in recent years that the Emperor of Germany in a public speech not long ago said that the consular system of the United States was the best in the world. Let me say much credit for this is due to the present administration and also to the preceding administration, and I am broad-minded enough to declare that, so far as I am concerned, in the future as in the past I shall do everything in my power to continue to improve the personnel and the efficiency of our foreign service, and in so far as may be possible lift it completely out of the slough of partisan politics and put it where it belongs, upon the high, impregnable ground of the merit system, where talent, ability, competency, fitness, and experience shall be the sole qualifications for appointment and promotion.

Any attempt on the part of Congress to cripple our foreign service will bring down on us the condemnation of every chamber of commerce, every board of trade, and every business concern in the country that is doing business in other lands.

Mr. GARNER. Will the gentleman yield?

Mr. SULZER. Certainly.

Mr. GARNER. There is no disposition and the gentleman from New York can not point out a single instance where the appropriation has been cut for the consuls. These are clerks to consuls—clerical help to consuls—that is provided for in this item. Now, I call the gentleman's attention to the fact that in the year 1911 only \$285,000 was necessary to maintain this clerical help, although Congress gave them \$300,000. Now, if

they could not possibly use the amount of money this Congress gave that year and yet come in this year and ask for an increase of more than \$65,000 or else they will have to discharge some of the employees of the service, that statement does not comport with the printed report and the statement of the State Department, a statement conveyed to the conference committee by the State Department although we have not seen that communication, though I would be glad to have the gentleman insert it in the RECORD, because we would like to compare the two.

Mr. SULZER. Senator CURTIS has the letter. I will ask him to send me a copy. I will be glad to put it in the RECORD.

Mr. GARNER. If the gentleman will permit me, I have another matter to which I want to call attention. I notice there is another amendment on the part of the Senate—amendment No. 15—in which it uses this language:

Together with the unexpended balance of the appropriation made for this object for the fiscal year 1912, which is hereby reappropriated and made available for this purpose.

Now, it would appear from this language that there was some money, the amount unknown, because under this statute there is no accounting of the amount, but it would appear, however, that there was money left over in these three fiscal years out of the funds specifically appropriated. I notice that the gentleman in place of disagreeing to the Senate amendment in its entirety disagreed to a portion of it—1910 and 1911—and then concurred in the reappropriation of the money for 1912. Now, will the gentleman tell how much money that is?

Mr. SULZER. I will explain that. The estimates for the emergency fund for the Diplomatic and Consular Service were \$90,000. The House cut that estimate from \$90,000 to \$50,000 and the Senate put it back to \$90,000. In conference we would not agree to that. Finally the conferees of the Senate receded provided the unexpended balance for 1912 was reappropriated. On investigation we agreed that the unexpended balance for 1912 should be reappropriated. I am informed it will be about \$14,000. I can not, however, say definitely.

Mr. FOSTER. Will the gentleman yield?

Mr. SULZER. I do.

Mr. FOSTER. There is some discrepancy in some place. I am informed that the department has stated to the other body that according to their present expenditures, if nothing unusual occurs, there will be at the end of this fiscal year \$30,000 remaining of this fund.

Mr. SULZER. That is not the information I have.

Mr. FOSTER. That is the information I obtained this morning.

Mr. SULZER. From the State Department?

Mr. FOSTER. Not from the State Department, but from where they had made the statement to the Appropriations Committee of the Senate.

Mr. SULZER. I think that is incorrect because—

Mr. FOSTER. I think not; I think the gentleman is hardly fair in saying that, because this comes direct from where they made that statement in their hearings.

Mr. GARNER. Will the gentleman from New York yield in that connection?

Mr. SULZER. I will.

Mr. GARNER. I do not understand just how the gentleman from New York can make the definite statement that \$14,000 will remain from the appropriation of 1912 when the fiscal year 1912 does not expire until June 30 of this year.

Now, if you can determine, or if the department can determine, at this date what the unexpended balance is going to be on any item of appropriation on June 30, 1912, especially an appropriation of this character, it is some information that has not been given to Congress heretofore.

Mr. SULZER. I will say to the gentleman from Texas [Mr. GARNER] it is impossible, of course, for me or anyone else to say definitely just how much will be unexpended. There may not be a dollar left over, because it is quite some time between now and the 1st of July. The State Department had \$90,000 for the present fiscal year. We are giving the department \$50,000 in this bill for the next fiscal year, and if it has anything left over for this fiscal year we also give it that amount. I make no definite statement about the exact amount, because I can not, and, in view of what the gentleman from Illinois [Mr. FOSTER] says, I can not say how much balance, if any, there will be.

Mr. GARNER. Would it not be better administration and better policy for this House to pursue not to reappropriate the unexpended balance, but, if we make a short appropriation, let the department come back here in December and get a deficiency rather than to appropriate an unknown amount, which may be left over from appropriations made for this fiscal year?

SPEAKER PRO TEMPORE FOR REMAINDER OF DAY.

The SPEAKER. The gentleman will suspend a moment. Inasmuch as the Chair is ill, he will assign Mr. SAUNDERS as Speaker pro tempore for the remainder of the day.

Mr. SULZER. We are sorry to hear you are ill, Mr. Speaker, and sincerely hope you will be quite yourself again to-morrow.

DIPLOMATIC AND CONSULAR APPROPRIATION BILL.

Mr. HAMLIN. Will the gentleman yield for a statement?

Mr. SULZER. Yes. I will say, however, to the gentleman from Texas [Mr. GARNER] that, as things look now, before the end of this year he need not be surprised if the State Department comes to Congress for a larger fund as an emergency matter.

Mr. HAMLIN. I want to ask a question or two, but I will do it in my own time.

Mr. SULZER. I hope the gentleman will do so. I yield to the gentleman from Missouri.

Mr. HAMLIN. Will the gentleman from New York repeat his statement as to what the balance was for 1910? I did not catch it. I mean the unexpended balance.

Mr. SULZER. I understand the unexpended balance for 1910 was something like \$14,000. I am not sure.

Mr. HAMLIN. And what was it for 1911?

Mr. SULZER. Something like \$800.

Mr. HAMLIN. Now, Mr. Speaker, in order that we may get the matter in the Record properly, I hold in my hand a statement from the Secretary of State covering his expenditures out of the secret fund for the years 1906, 1907, 1908, 1909, 1910, and 1911. Because the gentleman referred to the year 1910, I will take that up first. There was appropriated for emergencies arising in the Diplomatic and Consular Service for the year 1910, \$90,000. The Secretary of State reports gross expenditures out of this fund on certificates filed under section 291 the sum of \$82,345.49, and in settlements on vouchers direct with the Treasury \$7,053.70, making a total expenditure out of that fund for that year of \$89,399.19. If that be true then, there could not have been the balance of which the gentleman from New York speaks. In the year 1911 there was \$90,000 appropriated for the same purpose. There was expended under those certificates, as certified by the Secretary of State, \$98,104.51. He expended also, he reports, out of that fund in settlements direct with the Treasury on vouchers \$5,747.49, making a total expenditure of \$103,852 out of a fund of only \$90,000. This would make an apparent overdraft of about \$13,800. I think it is only fair to say that the Secretary claims there were certain repayments made to that fund, which left a balance in that fund for the year 1910; and the same is true of the year 1911. But in this connection I want to say that I know of no way of getting money into one of these funds excepting by appropriation, and that can only be made by Congress. I do not believe when they take the money out of the Treasury under these appropriations that they can go and put it back in whole or in part and in that way supplement or increase the appropriation. And I am quite sure that that is the opinion of the officials in the Treasury Department, because they have so stated to me.

I went down to see the gentleman in charge of the book-keeping and accounts in the Treasury Department and asked him to show me how much money was in this emergency fund for the year 1911. He showed me that there was \$90,000, the sum originally appropriated, and no more. I told him that I had heard that it had been in some way supplemented or increased. He said, "That is utterly impossible. There is only one way to increase this fund, and that is by an appropriation made by Congress."

Now, we gave them \$90,000 for that year. If they expended more than \$90,000, as they certify they did do, then there has been an overdraft on that fund, and consequently in violation of the law. If they take out of this fund, as I concede they claim they do, money that they find out afterwards they do not then need, and afterwards go and redeposit it and get credit back for it, then there would be no limit to this "kiting" the account and might make an appropriation of \$90,000 be equal to \$200,000 and still not apparently exhaust the real appropriation. If they can play "hide and seek" with the money in this fund, then there is no way to prevent them from taking money from some other fund and depositing it in this emergency fund, and thereby increase the appropriation from \$90,000 to \$150,000 or \$200,000 a year. There is no way, if you permit a redeposit of money in this fund, to keep tab on this expenditure, because if they can take it from one source they can take it from another, and there would be no way of exhausting this fund. This ought to be stopped.

But let me call your attention to the fact that in 1911 there was expended on secret certificates, which is presumably to be covered almost exclusively, if not entirely so, by this emergency fund, \$173,851.43 out of an appropriation of \$90,000. Much of this, I am sure, was paid out of other funds and improperly carried in settlement by secret certificate under section 291.

Now, I simply wanted to call the attention of the House specifically to this kind of now-you-see-it and now-you-do-not-see-it practice down at the department with this so-called secret fund—a practice that ought not to prevail; a practice that this House is responsible for, because its attention has been directed to it and we have the power to prevent it.

This conference report seeks to reappropriate whatever surplus there may be left in the emergency appropriation for the year 1912. I object to this manner of doing business for the simple reason that we are appropriating an indefinite amount, if, indeed, any amount at all. We do not know what the amount will be. The chairman of the committee, the gentleman from New York [Mr. SULZER], admits that he does not know whether it will be 1 cent or \$30,000. I object to this way of appropriating a "pig in the poke." It may be \$30,000, it may be nothing. If it turns out that there will be at the end of this fiscal year a balance of \$20,000 or \$30,000 left out of last year's appropriation, then I am going to take some little credit to the committee of which I have the honor to be chairman in bringing about some economy in the State Department, because this surplus has not been shown before our committee got busy and exposed their reckless methods.

In 1911, before the attention of Congress and of the country was directed to this system of juggling the accounts down there between this fund and other funds, the Secretary of State certifies there was only \$118.64 left after taking credit for "re-deposits," as he calls it, in that year's fund of \$90,000 at the end of the last fiscal year. But I call the attention of the House to another thing: The Secretary of the Treasury reports that there was a balance of \$148.68. So the "witnesses do not seem to agree together."

The Secretary of State certifies that there was \$118.64; the Secretary of the Treasury says there was \$148.68. But in making that up he certifies that there is a balance in the hands of the disbursing clerk of \$10,213.05. The Secretary of State does not certify any balance in the hands of the disbursing officer, but calls it a "redeposit" in the Treasury Department.

But on this question of reappropriating an indefinite balance I would like to have the attention of the gentleman from New York [Mr. SULZER], the chairman of the committee, if I may. The existing law provides that whatever surplus may be left in this fund for this year shall be available for two years for obligations incurred during this fiscal year without any reappropriation. Now, why do you want to reappropriate before the end of the fiscal year a balance, if there should happen to be a balance? If the Secretary of State needs this money for this year's obligations it will be available under existing law.

Mr. FLOOD of Virginia. Mr. Speaker, I should like to ask the gentleman from Missouri a question.

The SPEAKER pro tempore. Does the gentleman yield to the gentleman from Virginia?

Mr. HAMLIN. I will.

Mr. FLOOD of Virginia. Do I understand the gentleman to say that the balance for 1912, if any there should be, would be available for the purpose of this fund for the next two years?

Mr. HAMLIN. For all obligations incurred during this fiscal year; yes.

Mr. FLOOD of Virginia. But would not be liable for obligations incurred during the next fiscal year?

Mr. HAMLIN. Certainly not.

Mr. FLOOD of Virginia. I should like to ask the gentleman to state his figures of the balance of this fund for the years 1910-11.

Mr. HAMLIN. I shall be glad to do that. But first I want to make myself plain. Any balance at the end of any fiscal year will be available to pay all obligations contracted during that fiscal year at any time within the next two years without any reappropriation. Of course, it would not be available for obligations that came up for any subsequent year. Congress is presumed to take care of those in the appropriation in advance, and we have provided \$50,000 for the next fiscal year. Now, the Secretary of State certifies that there was a balance for 1910 of \$14,502.48, but he reaches that by crediting himself with a repayment or redeposit of \$13,901.67. I do not know where that money came from. The point I make is that he has no right to supplement or increase this fund by redepositing or depositing money that he may receive from any other source.

Mr. FLOOD of Virginia. Then, according to the gentleman—

Mr. HAMLIN. Let me finish my statement. For 1911 he says the balance is \$108.64, but he reaches that by crediting that fund again with \$13,970.64 redeposit. Otherwise there would have been an overdraft.

Mr. FLOOD of Virginia. Then, as I understand, the gentleman's contention is that, as a matter of fact, there was very little balance for the year 1910 and no balance for the year 1911?

Mr. HAMLIN. Practically none. In fact, there would have been an overdraft had not these deposits been made.

Mr. FLOOD of Virginia. That for 1910 the balance was very small.

Mr. HAMLIN. Yes.

Mr. FLOOD of Virginia. And that in 1911 there was not only no balance, but there was an overdraft?

Mr. HAMLIN. Yes. Now, it appears from information received that there will be a probable balance this year of \$30,000.

Mr. FLOOD of Virginia. Where does that information come from?

Mr. HAMLIN. This information was handed to me by a Member a few moments ago. I do not know where it came from.

Mr. GARNER. That information comes from the State Department to a reliable person under the Dome of this Capitol. The gentleman from Illinois [Mr. FOSTER] secured this information and vouches for its accuracy.

Mr. FLOOD of Virginia. I want to say to the gentleman that it was stated to the conferees by Senator CURTIS that he had obtained information from the State Department as to what that probable balance would be, and it was not as much as that.

Mr. HAMLIN. How much?

Mr. FLOOD of Virginia. It was not more than half as much as that.

Mr. HAMLIN. Fifteen thousand dollars?

Mr. FLOOD of Virginia. Between \$14,000 and \$15,000.

Mr. HAMLIN. Why reappropriate it now?

Mr. FLOOD of Virginia. We consented to its reappropriation without knowing exactly what amount it was. We consented to it because the Senate conferees insisted upon the \$90,000 appropriation or something in lieu thereof. They were insistent that \$50,000 was not a sufficient amount, and they had before them a letter from the State Department saying that that was absolutely an insufficient amount for this purpose, and we reached an agreement with them by way of compromise. That compromise was to give them any balance that might be in this year's appropriation.

Mr. HAMLIN. The gentleman is on the Foreign Affairs Committee?

Mr. FLOOD of Virginia. Yes.

Mr. HAMLIN. And I know the gentleman is a good lawyer. Perhaps he will not admit it, but I will.

Mr. FLOOD of Virginia. I am much obliged to the gentleman.

Mr. HAMLIN. Does the gentleman believe that the Secretary of State has a right to increase or supplement an appropriation that we give him for this or any other purpose by making deposits to that fund without any action by Congress?

Mr. FLOOD of Virginia. I should say not.

Mr. HAMLIN. If he could do that, there would be no limit to the fund, would there?

Mr. FLOOD of Virginia. I should say the Secretary of State certainly could not do that; but that is not the question we are considering here now.

Mr. HAMLIN. It is one of the questions which I am considering.

Mr. GARNER. No.

Mr. FLOOD of Virginia. The question is whether or not we will allow the State Department the amount that is to the credit of this fund at the end of this fiscal year.

Mr. GARNER. May I ask the gentleman a question in that connection?

Mr. FLOOD of Virginia. Yes.

Mr. GARNER. I can realize how the Senate committee may in a way have forced the House conferees to accept this kind of a provision, but I want to suggest to the gentleman from Virginia whether it is not, in his judgment, a bad practice for the House to reappropriate an unexpended balance, when the amount of that unexpended balance is purely an estimate and the House does not know anything about it?

Would not it be better policy to appropriate an insufficient amount, for the sake of the argument, and let the department come back to Congress in December and get the deficiency,

rather than to make a haphazard appropriation now and establish that kind of a precedent?

Mr. FLOOD of Virginia. My position was in favor of \$50,000. I was opposed to appropriating to this fund any more than \$50,000, but the Senate conferees stood for \$90,000, and this was reached as a compromise. I thought it was wiser to compromise than to hang the bill up by disagreement between the House and the Senate. Our information was, and that was not accurate, that nobody could tell exactly what the unexpended balance would be, because, as the chairman of the committee has said, there is some time between now and July. Our information was that the balance would not exceed \$14,000 or \$15,000. I do not see why if there is authority from the State Department for the statement that it would be \$30,000, why the gentleman in the State Department who gives information to a gentleman under the Dome of the Capitol should not have their names given, so that we can see who is correct.

Mr. GARNER. I made the statement that it came from a gentleman under the Dome of the Capitol, and I am informed that you can get it from the clerk of the Committee on Appropriation, Mr. Courts, who has been here a good long while, and I think would be an authority in this House.

Mr. FLOOD of Virginia. Does the gentleman think that the statement of the clerk to the Committee on Appropriations, that transacts its business under the Dome of the Capitol, should be taken against the statement from the officials of the State Department?

Mr. GARNER. I understood the gentleman to say that the State Department had conveyed to him the information—

Mr. FLOOD of Virginia. Oh, no.

Mr. GARNER. Where did the gentleman get his information?

Mr. FLOOD of Virginia. From one of the conferees on the part of the Senate—Senator CURTIS.

Mr. GARNER. I understood the gentleman to say that the information was before the committee in writing.

Mr. FLOOD of Virginia. The Senator had a statement that he was reading from.

Mr. GARNER. Could we get the statement, so as to see where it came from?

Mr. SULZER. I shall ask Senator CURTIS for the statement.

Mr. HAMLIN. Mr. Speaker, I can not afford to have all my time taken up by other gentlemen, however interesting the discussion may be.

Mr. FLOOD of Virginia. If the gentleman will pardon me, I want to say that I could not say that Senator CURTIS read from the statement, but he had a paper in his hand that he was reading from that came from the State Department.

The SPEAKER pro tempore. Does the gentleman from Missouri yield further to the gentleman from Virginia?

Mr. HAMLIN. Mr. Speaker, I decline to yield further. Now, Mr. Speaker, I do not want what I say to be taken as a criticism of the Committee on Foreign Affairs. I believe that they are, in the main, to be congratulated on the work they have done in this matter, but I call it to the attention of the House and the country in order to show the mysterious management of certain sums of public moneys in the State Department. It is shrouded in mystery and covered by the veil of secrecy. It should be unmasked.

Now, the House fixed the sum of \$50,000 as the amount that ought to be given to this emergency fund for the next fiscal year. This reappropriation of these mysterious balances of unexpended money out of the \$90,000 given for the year 1912 is only an indirect way of increasing this appropriation. If the practice they have been following in the State Department is continued to be followed this fund could be increased to \$50,000 more by making deposits from time to time to the credit of this fund, and on the last day of June they can claim that they have \$50,000 left over, and if this amendment goes through they will have \$100,000 instead of \$50,000 to the credit of the emergency fund. It could be doubled and even increased more than that in this doubtful way.

Mr. SULZER. Does the gentleman from Missouri think the Secretary of State would do that?

Mr. HAMLIN. But he has been making these deposits. His report shows it.

Mr. SULZER. Well, I doubt if it will be done again.

Mr. HAMLIN. I hope not; but I am quite sure that if the practice of handling this fund had not been exposed there would have been no part of the appropriation of \$90,000 left unexpended this year. But the practice which prevailed in making redeposits of money from some source or other ought not to be permitted to exist any longer. Congress should control, absolutely, the amount of these different funds.

I wanted simply to call the attention of the House to this practice down there, and I believe that this amendment ought not to be agreed to. If, as a matter of fact, there would be no danger from the source I speak of, yet I submit that it is a bad proposition to reappropriate money that is already appropriated and stands appropriated until the 30th day of June this year. It is bad policy to go to work and reappropriate money before the end of the fiscal year. I do not believe that we ought to do it on any bill with any fund, I do not care what it is. Let us wait and see whether there is an unexpended balance, and then if it is needed for the next year we can appropriate whatever amount is required at the next session of Congress. I do not believe we ought to do it in the way the committee now proposes. It sets a very bad precedent.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. HAMLIN. Yes.

Mr. MANN. Mr. Speaker, the gentleman says that it sets a very bad precedent. Is it not a fact that we did the same thing on the agricultural bill in the House and on the Army appropriation bill in the House and on every other appropriation bill that we passed in the House at this session and many times before?

Mr. HAMLIN. Does the gentleman mean that we reappropriated money that might be left unexpended?

Mr. MANN. Reappropriated the unexpended balance for the current fiscal year.

Mr. HAMLIN. I will ask the gentleman a question. Does the gentleman think that is a good way to legislate?

Mr. MANN. I think as a rule it is not, but the gentleman referred to the matter of setting a precedent; and when the House has set the precedent, I do not think it lies in our mouths to find fault with a conference committee that agreed to that as a compromise. I am not criticizing the practice. At times it is desirable though in some items it may not be. I think in most of the items passed in the Army and Agriculture appropriation bills and in other bills it was a proper thing to do.

Mr. HAMLIN. Were the amounts definite there?

Mr. MANN. Oh, no; the amounts were not definite. It was an unexpended balance.

Mr. FLOOD of Virginia. It would be impossible at this time of the year to state the amount with any definiteness.

Mr. MANN. Absolutely impossible.

Mr. HAMLIN. I know it is impossible, and that is one reason why I am objecting to it. Then I call the gentleman's attention to this fact: In the cases to which he referred there is no practice, I would suspect, although I have not looked it up, of increasing the fund by redeposits, is there, in the case of the Army and the agricultural appropriation bills, to which he refers?

Mr. MANN. I do not remember the particular items, but in some cases there are redeposits, where we sometimes make an appropriation, and in others there are sales to be made.

Mr. HAMLIN. Oh, yes; that is true where there are sales of property to be made, but I mean where the money is appropriated for a certain definite purpose, and then expended, and certificates filed certifying that it was expended and yet come back and deposit a certain sum of money so as to hold the expenditures down within the limits of the appropriation. That is exactly what is done in this fund—an unheard-of thing. I was surprised when I found it was true, and I have no doubt that it will surprise every Member here to know that is true, but it is a fact nevertheless. I have here in my desk now certificates, solemnly certified to, showing that there was expended this last fiscal year \$103,852, and yet they had only \$90,000 out of which to pay that sum. They seek to avoid the overdraft by showing that there were some redeposits amounting to \$13,970.64. If this money was paid out, it was paid out, and that is all there is to it, and this money redeposited must have come from some other source. I do not know of any funds in this House, and I know of no kind of legislation that will permit an officer of this Government to increase a fund which we give him by making deposits to that fund from any source whatsoever.

I simply wanted to call the attention of the House and the country to the loose methods of doing business down in the State Department, with the hope that conditions may change in the future. I am satisfied that there have been changes to a certain extent since the matter has been agitated by the Committee on Expenditures in the State Department, and that is evidenced by the amount of money that there is now on hand in that fund, somewhere about \$30,000, and this near to the end of the fiscal year, instead of the fund being overdrawn as it has been for several years heretofore. But there is still room for improvement.

Mr. SULZER. Mr. Speaker, I yield five minutes to the gentleman from Virginia [Mr. FLOOD].

Mr. FLOOD of Virginia. Mr. Speaker, I believe the conferees on the part of the House did all they could possibly do in the conference in the interest of economy. The bill, as agreed on in the conference, carries an aggregate appropriation of \$811,650 less than the estimates made by the State Department. It carries an aggregate appropriation of \$350,000 less than the appropriation made for a similar purpose last year. We did think when we had gotten through with the conference that we had accomplished a good deal in the interest of economy.

As one of the members of the Foreign Affairs Committee my attention had been called, through the activities of the committee presided over by the gentleman from Missouri [Mr. HAMLIN], to what I believed to be an abuse in the use of the contingent fund; and on the Foreign Affairs Committee I voted to reduce that fund from \$90,000 to \$50,000, and believed at the time that that was a sufficient fund of this character for the State Department. In the conference we were confronted with the proposition from the Senate, backed by a positive statement from the State Department, that they could not get along with one cent less than \$90,000, which had been formerly appropriated to that fund.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

Mr. FLOOD of Virginia. Certainly.

Mr. GARNER. That was in the face of the statement that they would have a surplusage for this year of from fourteen to thirty thousand dollars.

Mr. FLOOD of Virginia. Yes.

Mr. GARNER. It seems to me that it is not consistent for the State Department to say they could not get along with a cent less than \$90,000, although they were not able to use the money for this fiscal year.

Mr. FLOOD of Virginia. Why is it not consistent, when the gentleman from Missouri [Mr. HAMLIN] has pointed out that last year they expended more than \$90,000 by \$13,000, and the year before they practically expended it all? That is the way the question of consistency presents itself to me, and I hold no brief for the State Department, either.

Mr. HAMLIN. If the gentleman will permit, the gentleman from Missouri strongly believes that much of that money was improperly expended and ought not to have been expended.

Mr. FLOOD of Virginia. That has nothing to do with the question suggested by the gentleman from Texas.

Mr. HAMLIN. Oh, yes; it has.

Mr. FLOOD of Virginia. If the gentleman will wait a minute—the gentleman from Texas said it was not consistent for the department to say it wanted \$90,000, in view of the fact that there was an unexpended balance now. I say it is consistent, in view of the fact that in 1910 and 1911 they spent not only the \$90,000, but, according to the contention of the gentleman from Missouri, more than \$90,000. We had to be governed by the facts before us, and while we did believe—and I still believe—there have been abuses in the administration of this fund, we had the positive statement from the Secretary of State that \$50,000 would not run this particular branch of his department, and we finally compromised with the conferees on the part of the Senate by agreeing to reappropriate any unexpended balance there might be for the year 1912. We were informed it was about \$15,000, and that would make \$65,000, or a reduction in this fund of \$25,000. If it is as the gentleman from Illinois informs us, it will be \$80,000, or a reduction of \$10,000. Whatever the unexpended balance, will there be a reduction in this fund of a substantial amount? I can not think, in view of the money that has been spent out of this fund for the past two years, that there will be as much as \$30,000 unexpended at the end of this year. The gentleman from Missouri pointed out that in 1910 they spent all the money and more and in 1911 there was practically no balance left. So I think, Mr. Speaker, in view of the facts we had presented before us, that the committee did very well in reaching this compromise with the Senate committee and the House will do very well in ratifying what the conferees did. [Applause.]

Mr. SULZER. Mr. Speaker, does the gentleman from Illinois desire some time? I will yield him three minutes.

Mr. MANN. Mr. Speaker, I do not think that I require any time, except simply to say I have been over this conference report very carefully, and I really think the House conferees have done credit to themselves in the report. [Applause.] Most of the items which the Senate had inserted which were in any way objectionable are disagreed to; the Senate recedes from them. Of course, there has to be a compromise on ordinary questions of amounts in appropriation bills, but I think on the whole the compromises have been in the interest of a reduction of the amount as contended for by the House instead of a large

increase as contended for by the Senate, and I compliment the gentleman in charge of the bill on what he has done.

Mr. SULZER. I am much obliged to the gentleman. Mr. Speaker, I move the adoption of the conference report, and on that motion I move the previous question.

The question was taken, and the previous question was ordered.

Mr. HAMLIN. Mr. Speaker, I simply desire to ask unanimous consent to insert in my remarks some tables or figures, to which I referred a while ago, as I desire to have them accurate.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent to insert as a part of his remarks the matter indicated. Is there objection? [After a pause.] The Chair hears none. The question is on agreeing to the conference report.

The question was taken, and the conference report was agreed to.

ACTS AND RESOLUTIONS, LEGISLATIVE ASSEMBLY, PORTO RICO (S. DOC. NO. 603).

The SPEAKER pro tempore. The Chair lays before the House the following message from the President, which the Clerk will read.

The Clerk read as follows:

To the Senate and House of Representatives:

As required by section 31 of the act of Congress approved April 12, 1900, entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," I have the honor to submit herewith copies of the acts and resolutions enacted by the Legislative Assembly of Porto Rico during the sessions beginning January 8 and ending March 14, 1912.

WM. H. TAFT.

THE WHITE HOUSE, April 24, 1912.

The SPEAKER pro tempore. The message is ordered to be printed and referred to the Committee on Insular Affairs.

BANKING AND CURRENCY CONDITIONS OF THE UNITED STATES.

Mr. HENRY of Texas. Mr. Speaker, I submit a privileged resolution from the Committee on Rules, which I send to the Clerk's desk.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 504 (H. Rept. 600).

Whereas H. Res. 429 was heretofore passed for the purpose of directing the conduct of an investigation into certain of the matters covered by this resolution, and it has since been ascertained that said H. Res. 429 is insufficient in the delegation of its powers to permit of the scope of inquiry which is believed to be necessary as a basis for remedial legislation on the subjects covered by this resolution:

Resolved, That H. Res. 429 is hereby amended so that the same shall read as follows:

"Whereas legislation is now pending involving important changes in our national currency and monetary system and vitally affecting our national banks and other financial institutions, and various bills have also been introduced, and are now under consideration by Congress having for their purpose the amendment and supplementing of the act approved July 2, 1890, entitled 'An act to protect trade and commerce against unlawful restraints and monopolies,' generally known as the Federal antitrust law; and

"Whereas bills are also pending or under consideration to regulate industrial corporations engaged in interstate commerce through Federal incorporation, supervision, and otherwise, and legislation is believed to be necessary to further control the incorporation, management, and financial operations of railroad corporations that are now subject to the jurisdiction of the Interstate Commerce Commission, including, among other things, the regulation of the issue and sale of their securities and the protection of minority stockholders; and

"Whereas it has been charged, and there is reason to believe, that the management of the finances of many of the great industrial and railroad corporations of the country engaged in interstate commerce is rapidly concentrating in the hands of a few groups of financiers in the city of New York and their associates in New York and other cities, and that these groups, by reason of their control over the funds of such corporations and the power to dictate the depositories of such funds, and by reason of their relations with the great life insurance companies with headquarters in New York City, and by other means, have secured domination over many of the leading national banks and other moneyed institutions and life insurance companies in the city of New York and in other cities to which they direct such patronage and over the vast deposits of money and of the other assets of such institutions, thus enabling them and their associates to direct the operations of the latter in the use of the money belonging to their depositors and the stockholders and in the purchase and sale of securities and loans of money by such banks and other moneyed institutions and life insurance companies, and that these institutions and their funds are being used to further the enterprises and increase the profits of these groups of individuals from such transactions and to augment their power over the finances of the country and to control the money, exchange, security, and commodity markets and prevent competition with the enterprises in which they are interested, to the detriment of interstate commerce and of the general public; and

"Whereas it has been further charged and is generally believed that these same groups of financiers have so entrenched themselves in their control of the aforesaid financial and other institutions and otherwise

in the direction of the finances of the country that they are thereby enabled to use the funds and property of the great national banks and other moneyed corporations in the leading money centers to control the security and commodity markets; to regulate the interest rates for money; to create, avert, and compose panics; to dominate the New York Stock Exchange and the various clearing-house associations throughout the country, and through such associations and by reason of their aforesaid control over the aforesaid railroads, industrial corporations, and moneyed institutions, and others, and in other ways resulting therefrom, have wielded a power over the business, commerce, credits, and finances of the country that is despotic and perilous and is daily becoming more perilous to the public welfare; and

"Whereas the national banks and other moneyed institutions controlled as aforesaid are charged to have been, and to be, engaged in the promotion, underwriting, and exploitation of speculative enterprises and in the purchase and sale of securities of such enterprises, and in acquiring, directly or indirectly, stocks of other banking institutions and absorbing competitors and in using their corporate funds and credit for such purposes, either alone or in conjunction with those by whom they are controlled; and

"Whereas it is deemed advisable to gather the facts bearing on the aforesaid conditions and charges or in any way relating thereto or to any of the subjects above mentioned as a basis for remedial and other legislative purposes: Therefore be it

"Resolved, That the Members now or hereafter constituting the Committee on Banking and Currency, by a subcommittee consisting of the 11 members thereof already appointed under H. R. 429 and by such substituted members as may be from time to time selected from the members of the said committee to fill vacancies in the subcommittee, is authorized and directed—

"First. To fully investigate and inquire into each and all of the above-recited matters and into all matters and subjects connected with or appurtenant to or bearing upon the same.

"Second. To fully inquire into and investigate, among other things, whether and to what extent—

"(a) Individuals, firms, national banks, and other moneyed corporations are engaged in or connected with the management of financial affairs of interstate railroad or industrial corporations, or life insurance companies, and what potential or other power they have or exercise over such corporations, and how and to what uses the bankable funds of such interstate railroad or industrial or other corporations are applied.

"(b) The marketing of the securities that have been from time to time issued by interstate railroad and industrial corporations has been by competitive bidding or otherwise.

"(c) Changes have been procured in the general laws of any of the States under which such interstate corporations are organized in the interest or upon the procurement of such corporations, and for what reason and by what methods and influences such changes were accomplished.

"(d) Individuals, firms, national banks, and other moneyed corporations interested in or in anywise connected with such interstate corporations are enabled by reason of their relations or connection with other interstate corporations or with other individuals, firms, national banks, moneyed corporations, or life insurance companies, or otherwise to prevent or suppress competition in the interest of such interstate corporations, or to protect or assist the latter in preventing or suppressing competition.

"(e) Such interstate corporations and the individuals, firms, national banks, and moneyed corporations are mutually benefited and protected against competition and otherwise by the relations existing between them.

"(f) National banks and other moneyed and other institutions are directly or indirectly owned, dominated, or controlled through their directors or through stock ownership, official management, patronage, or otherwise by the same persons, interests, groups of individuals, or corporations that are also directly or indirectly interested in other national banks or moneyed or other corporations located in the same city and in interstate corporations that are customers of said national banks and other moneyed corporations.

"(g) The same individuals are officers or directors of, or were or are directly or indirectly interested in or dominate or control, or heretofore dominated or controlled, in any way, more than one national bank or other moneyed corporation.

"(h) The funds or credit of national banks and other moneyed corporations or life insurance companies are or have been used or employed other than in making current loans to merchants or on commercial paper, by whose influence or direction such funds or credits were so used or employed, and particularly whether and to what extent such funds are or have been employed: First, in the purchase of securities from bankers or others in any way interested in or connected with such corporations; second, in the guaranty or underwriting of securities or syndicate transactions, either alone or in conjunction with others; third, in loans on notes secured by bonds, stocks, or other collateral; fourth, in loans on or purchases of stocks of other banks or of any trust or investment company or financial or moneyed corporation; and, fifth, in any form of investment alone or in joint account with others.

"(i) Any national bank or other moneyed corporation, whether directly or indirectly, or whether through or by means of another corporation having substantially the same officers, management, control, or stockholders, or with stock paid for by the dividends of a parent or affiliated company, and, whether alone or with others, has acted as an issuing house or in offering securities to the public or to investors by prospectus, advertisement, solicitation, or otherwise, or has speculated or is speculating in stocks, and if so, the nature of all such transactions and the profits and all other details thereof.

"(j) The management and operations of the New York Stock Exchange and the New York Clearing House Association are, or may be, directly or indirectly, dominated, controlled, or otherwise affected by any individuals or groups of individuals who control or are influential in directing the use or deposits of the funds of national banks in the city of New York, or of interstate railway or industrial corporations, or life insurance companies, and the relations that the New York Stock Exchange and the New York Clearing House bear to such individuals and groups of individuals and to their financial transactions and to our commercial and financial systems and to interstate and foreign commerce.

"(k) Any individual, firm, or corporation, or any one or more groups of such individuals, firms, or corporations, may or can affect the security markets of the country through the New York Stock Exchange, or can create, avert, or compose panics by the control of the use and disposition of moneys in the banks and other moneyed or other corporations

that are controlled by such individual, firm, or corporation, or by other means.

"(1) There is any connection between the relations of bankers, banking firms, and their associates to the railroad and industrial corporations engaged in interstate commerce, and the relations of such bankers, banking firms, and their associates to the national banks and other moneyed or other corporations, and the relations of any of these interests to any of the others that operate to protect such interstate corporations against competition or are or may be used for that purpose.

"Third. To investigate, find, and report the facts bearing upon the payment of political contributions to national campaign funds by or in the interest of national banks and interstate railroad and industrial corporations, and by all persons who are officers or directors thereof, and by other persons who are directly or indirectly in control of or connected with such corporations, together with the amounts of such contributions and the circumstances attending the same.

"Fourth. To investigate the methods of financing the cash requirement of interstate corporations and of marketing their securities, and the relations of national banks and others to such transactions.

"Fifth. Said committee as a whole or by subcommittee is authorized to sit during the sessions of the House and during the recess of Congress. Its hearings shall be open to the public. The committee as a whole or by subcommittee is authorized to hold its meetings both during the sessions of Congress and throughout the recesses and adjournment thereof and in such cities and places in the United States as it may from time to time designate; to employ counsel, experts, accountants, bookkeepers, clerical and other assistants; may summon and compel the attendance of witnesses; may send for persons and papers; and administer oaths to witnesses. The Comptroller of the Currency, the Secretary of the Treasury, and the Commissioner of the Bureau of Corporations, and their respective assistants and subordinates, are hereby respectively directed to comply with all directions of the committee for assistance in its labors, to place at the service of the committee all the data and records of their respective departments, to procure for the committee from time to time such information as is subject to their control or inspection, and to allow the use of their assistants for the making of such investigations with respect to corporations under their respective jurisdictions as the committee or any subcommittee may from time to time request.

"No person shall be excused from giving testimony or from answering any question or from otherwise disclosing any fact within his knowledge as an individual or as an officer or director of a corporation, or otherwise, or from producing any book, paper, or document on the ground that the giving of such testimony or the production of such book, paper, or document would tend to incriminate him, or for any other reason; but every person so testifying shall be granted immunity from prosecution with respect to any matter or thing concerning which he may be interrogated and as to which he shall truthfully make answer under oath upon such investigation. The Speaker shall have authority to sign and the Clerk to attest subpoenas during the recess of Congress."

Mr. MANN. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The point of order is sustained.

Mr. HENRY of Texas. Mr. Speaker, I move a call of the House.

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, and the Clerk will call the roll.

The roll was called, and the following Members failed to answer to their names:

Allen	Gardner, Mass.	Kahn	Reyburn
Ames	Garrett	Kennedy	Riordan
Anderson, Ohio	George	Kitchin	Roberts, Mass.
Barchfield	Gillett	Knowland	Roberts, Nev.
Bartholdt	Goldfogle	Lawrence	Rucker, Colo.
Booher	Good	Lindsay	Russell
Borland	Graham	Littleton	Scully
Bradley	Greene, Mass.	Lloyd	Sells
Buchanan	Griest	Loud	Sheppard
Burgess	Gudger	McCall	Slemp
Burke, Pa.	Hanna	McHenry	Smith, Cal.
Burleson	Hardwick	McKellar	Sparkman
Callaway	Harris	Mays	Stack
Clark, Fla.	Harrison, N. Y.	Miller	Stanley
Covington	Hartman	Moore, Tex.	Switzer
Cox, Ind.	Hawley	Mott	Talbot, Md.
Curley	Hefflin	Murdock	Taylor, Ala.
Curry, N. Mex.	Hensley	Murray	Taylor, Colo.
Davidson	Higgins	Needham	Underwood
Davis, Minn.	Hill	Olmsted	Utter
De Forest	Hinds	O'Shaunessy	Watkins
Denver	Hobson	Padgett	Weeks
Dickson, Miss.	Houston	Patton, Pa.	Wilder
Estopinal	Howard	Porter	Woods, Iowa
Fairchild	Hughes, N. J.	Pou	Young, Mich.
Fields	Hughes, W. Va.	Randell, Tex.	
Focht	Humphreys, Miss.	Ransdell, La.	
Fuller	James	Reilly	

The SPEAKER pro tempore. Two hundred and eighty-four gentlemen have responded to their names. A quorum is present.

Mr. HENRY of Texas. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER pro tempore. The gentleman from Texas [Mr. HENRY] moves to dispense with further proceedings under the call. The question is on the motion of the gentleman from Texas.

The question was taken, and the motion was agreed to.

The SPEAKER pro tempore. The further proceedings under the call are dispensed with, and the Doorkeeper will open the doors. The gentleman from Texas [Mr. HENRY] is recognized.

Mr. HENRY of Texas. Mr. Speaker, I would like to ask the gentleman from Pennsylvania [Mr. DALZELL] if he thinks 20 minutes on a side will be sufficient time for discussion?

Mr. DALZELL. I do not. I think we ought to have more time than that. I have had requests from this side of the House for time, and I do not think we can get along with anything like that amount.

Mr. HENRY of Texas. How much time does the gentleman think he ought to have?

Mr. DALZELL. I think we ought to have 45 minutes on a side.

Mr. HENRY of Texas. Mr. Speaker, I make this proposition: That I be recognized, and we will proceed for one hour, one-half of the time to be yielded to the gentleman from Pennsylvania [Mr. DALZELL] and 30 minutes to be used by myself, making 30 minutes on a side; and at the end of that hour I will move the previous question.

Mr. DALZELL. I do not think that is sufficient time in which to discuss this question.

Mr. MANN. I would like a little time on this.

Mr. DALZELL. There are quite a number of Members over here who are desirous of speaking.

Mr. HENRY of Texas. How would it do to give the gentleman 40 minutes over there and 30 minutes on this side? The gentleman asked for 45 minutes. I think we can agree on that.

Mr. BARTLETT. A parliamentary inquiry.

The SPEAKER pro tempore. The gentleman from Georgia will state it.

Mr. BARTLETT. May I inquire of the Speaker what the proposition before the House is?

The SPEAKER pro tempore. The gentleman from Texas has been recognized, and the proposition before the House is the report from the Committee on Rules.

Mr. BARTLETT. I understand, the gentleman from Texas intending to call up some point from the Committee on Rules, the point of no quorum was made, and while we have some anticipation of what will be before the House, the House has not yet been informed what report from the Committee on Rules is concerned.

The SPEAKER pro tempore. The resolution was called up and read in the hearing of the House.

Mr. HENRY of Texas. Undoubtedly. The gentleman ought to have been here.

Mr. BARTLETT. "The gentleman" has been here as long as the gentleman from Texas has been.

Mr. HENRY of Texas. The report was read in full in the hearing of the House.

The SPEAKER pro tempore. The Chair will state that the report was read in the hearing of the House in full, and then the gentleman from Texas [Mr. HENRY] was recognized.

Mr. MANN. Would not the gentleman be willing to give an hour to this side?

Mr. HENRY of Texas. I am willing to agree to 45 minutes to a side. The gentleman from Pennsylvania [Mr. DALZELL] proposed that, and I am perfectly willing to agree to that. So, Mr. Speaker, I ask unanimous consent that the debate be limited to 45 minutes to each side, 45 minutes to be controlled by myself and 45 minutes to be controlled by the gentleman from Pennsylvania [Mr. DALZELL], and at the end of that time the previous question be considered as ordered on the amendment and resolution to its final passage.

The SPEAKER pro tempore. The gentleman from Texas [Mr. HENRY] submits a request to the following effect: That debate on the proposition be limited to 45 minutes to a side, and the gentleman from Pennsylvania [Mr. DALZELL] to control 45 minutes and the gentleman from Texas [Mr. HENRY] to control 45 minutes on his part, and that at the expiration of this debate the previous question be considered as ordered on the resolution and amendments.

Mr. HENRY of Texas. One amendment.

Mr. LENROOT. Mr. Speaker, if I may remind the Chair, the proposition of the gentleman from Texas was that at the end of that time he would move the previous question.

Mr. HENRY of Texas. That I be recognized to move the previous question at the end of that time.

The SPEAKER pro tempore. The proposition will be modified to that extent. Is there objection?

Mr. BARTLETT. Mr. Speaker, reserving the right to object, I would like to ask the gentleman, as to this resolution, if the preamble and all the resolution, except a small part of it, is not the same resolution that was considered by the Democratic caucus and which was not favorably acted upon by the Democratic caucus when the matter was before it?

Mr. HENRY. It is not exactly the same.

Mr. BARTLETT. "Not exactly the same," but is it not substantially the same, with the exception of the last clause?

Mr. HENRY of Texas. Oh, no. I would not consider it the same, because one provides for a special committee, and this

provides for an investigation by the Committee on Banking and Currency, and the gentleman from Louisiana [Mr. PUJO], the chairman of the Committee on Banking and Currency, is going to discuss that very point.

Mr. BARTLETT. I reserve the right to object, Mr. Speaker. Is not the preamble to this resolution identical with the preamble in the resolution which the Democratic caucus refused to adopt?

Mr. HENRY of Texas. Very largely; but the caucus did not refuse to adopt it. This only grants a little concurrent additional power. It does not change the attitude of the Democratic Party at all.

Mr. BARTLETT. That is, in the estimation of the gentleman from Texas, and he has arrogated to himself the whole right to judge, without consulting the caucus.

Mr. HENRY of Texas. I will say to the gentleman that I do not arrogate anything.

Mr. BARTLETT. The Committee on Rules has arrogated, I will say, the right to determine that question.

Mr. Speaker, I do not object, because I think as much time ought to be given to the consideration of this resolution as can be gotten. But I wanted to call attention to certain matters—a thing which I have done—and this is the only way in which I can call attention to the matter—that some of us who attended the caucus are bound by it, and others who also attended the caucus do not seem to be bound by it.

The SPEAKER pro tempore. Is there objection?

Mr. LINDBERGH. Mr. Speaker, reserving the right to object, I want to inquire if there is to be any opportunity to make amendments?

Mr. HENRY of Texas. One amendment, which proposes to strike out a certain portion. That is all.

Mr. LINDBERGH. What is that?

Mr. HENRY of Texas. From line 10, on page 10, down to the words "The Speaker."

Mr. LINDBERGH. I wanted to inquire if there would be any objection to striking out the following words, in lines 5 and 6, on page 4, "from the members of the said committee," and inserting the words "by the House"?

Mr. HENRY of Texas. We may get to that a little later and reach some conclusion in regard to it. I am not ready now to take that up. Now, Mr. Speaker, I ask—

The SPEAKER pro tempore. Is there objection?

Mr. BARTLETT. Mr. Speaker, a parliamentary inquiry. If this agreement is made and the previous question is ordered, that requires a vote upon the preamble as well as the resolution, without any opportunity to strike out the preamble, does it not?

The SPEAKER pro tempore. That is the effect of the motion submitted.

Mr. BARTLETT. If the gentleman's agreement is made, and the gentleman at the end of an hour and a half is recognized to move the previous question, and the previous question is ordered, then there will be no opportunity offered to strike out the preamble, as there would be if the previous question was not ordered.

The SPEAKER pro tempore. The Chair so understands the effect of the motion. Is there objection to the request?

There was no objection.

Mr. HENRY of Texas. Mr. Speaker, the resolution which has been reported from the Clerk's desk represents the harmonious action of the majority of the subcommittee of the Committee on Banking and Currency and the Committee on Rules.

The resolution is plain and speaks for itself. It provides for a thorough investigation of what is commonly termed the "Money Trust," and endows the subcommittee of that important committee of this House with full power to go into every phase of this great problem which we are now about to face.

In regard to what the gentleman from Georgia [Mr. BARTLETT] has said, I wish to say that, in my judgment, this resolution does not contravene the action of the Democratic caucus at all. That caucus was considering the proposition as to whether or not it would clothe a special committee with power to investigate the Money Trust. This resolution sends all of these questions to a subcommittee of the Committee on Banking and Currency, and it provides for additional power, in order that the committee may go into every phase of the question. It does not encroach upon the jurisdiction of the Committee on the Judiciary, nor does it intrench upon the rights and privileges of the Committee on Interstate and Foreign Commerce.

If this resolution is adopted to-day, it provides for ample power being vested in the Committee on Banking and Currency, and does not rob any of the other committees of their legitimate jurisdiction and privileges. They may proceed with their investigation under the action taken by the Democratic caucus without let or hindrance, and doubtless they will so conduct

their investigation hereafter. Let both sides of this House understand that if this resolution is adopted every phase of the money monopoly, of which we have complaints and of which the country is cognizant, can be investigated by this committee of the House, with the cooperation of some of the greatest lawyers in this country, skilled in the questions that are to be solved, and who stand high in the estimation of the American people. Therefore in obedience to the request of the Committee on Banking and Currency and in obedience to the instructions of the majority of the Committee on Rules, as the chairman of that committee, I have submitted this important resolution, and trust that there will be no opposition to it on either side of this House, in order that we may proceed to investigate that vicious system of financial monopoly that we know to exist in New York and other money centers of this country. [Applause.]

I reserve the balance of my time.

Mr. GLASS. Mr. Speaker, before the gentleman from Texas takes his seat, I should like to correct one statement. He is not offering this resolution in pursuance of any request of the Committee on Banking and Currency.

Mr. HENRY of Texas. I said the subcommittee.

Mr. GLASS. In the first instance, the gentleman said that, but just at the last he mentioned the Committee on Banking and Currency.

Mr. HENRY of Texas. I did not intend to. I referred to the subcommittee of that committee.

I yield 10 minutes to the gentleman from Louisiana [Mr. PUJO].

Mr. PUJO. Mr. Speaker, as the introducer of this resolution, a statement by me may be of some use and benefit to the House. On February 3, 1912, House resolution 405 was introduced by the gentleman from Texas [Mr. HENRY] for the purpose of investigating what is commonly called the Money Trust. Upon that resolution a caucus was had by the majority party, and, as a result of that caucus, House resolution 429 was reported by the Committee on Rules and passed by this House on February 24, 1912. House resolution 429 directed and authorized the Committee on Banking and Currency to investigate all matters included in House resolution 405 within the jurisdiction of said committee.

Causes beyond my control took me home. During my absence the committee was authorized to take up the investigation and pursue it in so far as it could within that time.

From the moment that resolution 429 was referred to the committee on Banking and Currency it was like a Pandora's box. Some of the lawyers on that committee contended that we had jurisdiction, others that we had not. Members of the House of Representatives were talking privately to members of the committee, saying that the investigation would be a farce. Members of the subcommittee itself—because the committee was divided into two committees—differed as to their powers.

I want to say that this resolution is not introduced by me as chairman of the Committee on Banking and Currency, nor as representing the subcommittee, but as representing the majority members of the subcommittee.

Mr. SHERLEY. How many majority members are there in the subcommittee?

Mr. PUJO. Seven. Carrying out the action of that subcommittee, after consultation with eminent counsel, and after dispute and disagreement by and between the membership of this House, whether resolution 429 would give us power to investigate the subject matter contained in resolution 405, this resolution has been presented to the House for the purpose of letting it take such action as is meet and proper.

Mr. BARTLETT. May I ask the gentleman a question?

Mr. PUJO. Certainly.

Mr. BARTLETT. This resolution 504 is the same as resolution 405, except with the addition at the end of the resolution giving it more power. Is not that true?

Mr. PUJO. Practically so.

Mr. BARTLETT. Resolution 405 is the one the Democratic caucus refused to adopt?

Mr. PUJO. Resolution 405 was acted on by the Democratic caucus, and resolution 429 expressed the views of the caucus.

Mr. BARTLETT. But resolution 405 was not approved by the caucus?

Mr. PUJO. Not to my knowledge.

Mr. FORNES. Will the gentleman yield for a question?

Mr. PUJO. I will.

Mr. FORNES. Is it not a fact that the subcommittee has already employed its attorneys?

Mr. PUJO. No; it is not a fact. They have not employed attorneys. The fact is, they have agreed to employ Mr. Edgar

H. Farrar, of New Orleans, as one, and Mr. Samuel H. Untermyer, of New York, as the other. They have agreed to retain them.

Mr. FORNES. Is it not a fact that since the partial employment of these lawyers was made this action has been taken?

Mr. PUJO. It was upon the advice of these lawyers, so that there could be no question of the jurisdiction of the committee to go into the investigation and bring a contumacious witness before the House in pursuance of the grant conferred upon it by the House.

Mr. FORNES. Has the compensation of these gentlemen been arranged?

Mr. PUJO. It has.

Mr. FORNES. Would the gentleman object to stating what it is?

Mr. PUJO. I will state that I have no personal objection. I want to make this statement: That one of the counsel said that the compensation was no object whatever; that he would not accept the employment if these additional powers were not granted, because he did not believe that the committee's investigation would amount to anything unless the additional power was granted. That was Mr. Untermyer.

Mr. FORNES. Is it not a fact, also, that Mr. Untermyer has had difficulty with some of these corporations, and it is for that purpose that he is anxious to bring about this investigation?

Mr. PUJO. I do not know it.

Mr. FORNES. I am so informed.

Mr. DALZELL. Will the gentleman yield for a question?

Mr. PUJO. These questions are taking up my time, but I will yield to the gentleman.

Mr. DALZELL. I would like to ask the gentleman whether this resolution now before the House is not identically the same in substance as the resolution passed upon by the Democratic caucus?

Mr. BARTLETT. I asked him that question a moment ago, and he said it was.

Mr. PUJO. I so consider it.

Mr. DALZELL. One more question—whether or not this resolution was not drawn by Mr. Untermyer?

Mr. PUJO. The original resolution 405? I do not know.

Mr. DALZELL. This resolution.

Mr. PUJO. No. Mr. Untermyer and Mr. Farrar retired to a room and made some corrections in and additions to resolution 405.

Mr. DALZELL. Resolution 405 was corrected by Mr. Untermyer?

Mr. PUJO. No; Mr. Farrar, I think, made as many corrections as Mr. Untermyer. Now, Mr. Speaker, in concluding what I have to say on this subject, I consider that the effect of the adoption of this resolution is to merge in this subcommittee created by the committee all the powers that were intended to have been conferred upon the special committee in so far as they relate to banking and currency and in so far as they relate to the financial and monetary system.

Mr. FORNES. Will the gentleman yield?

Mr. PUJO. Yes.

Mr. FORNES. Would not you have the same power under the resolution adopted by the Democratic caucus to go into all these questions?

Mr. PUJO. I have so considered, but some lawyers say that we can not move a step.

The SPEAKER pro tempore. The time of the gentleman from Louisiana has expired.

Mr. KINDRED. Will not the gentleman have his time extended so that I may ask him a question?

The SPEAKER pro tempore. The gentleman from Texas controls the time.

Mr. DALZELL. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin [Mr. LENROOT].

Mr. LENROOT. Mr. Speaker, I am in favor of this resolution and shall vote for its adoption. The resolution itself is a very important matter, but there is a matter in connection with the resolution that is quite as important as is the resolution itself, and I wish to say a word with reference to that. A number of times upon this floor during this session I have referred to caucus action upon the part of the majority on the other side. I am glad that in the presentation of this resolution we have the first evidence that the Democratic majority refuse to longer be bound by caucus action and propose to assert their rights and privileges as independent Members of this House. [Applause.]

Mr. BARTLETT. Mr. Speaker, may I ask the gentleman a question?

Mr. LENROOT. I yield to the gentleman.

Mr. BARTLETT. Then the gentleman construes this resolution as reported by the Committee on Rules as contrary to the action taken by the Democratic caucus?

Mr. LENROOT. There is no question about it, because this resolution is substantially the same, and except in a few words it is exactly the same, as was resolution 405, which on the 7th day of last February the Democratic majority rejected in caucus.

Mr. STEPHENS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. LENROOT. Certainly.

Mr. STEPHENS of Mississippi. The gentleman has stated that the Democratic caucus on a certain date rejected resolution 405. I desire to call the gentleman's attention to the fact that the only thing that was rejected by the Democratic caucus which was contained in resolution 405 was the clause that referred to having this matter investigated by a special committee. That was the only thing that was opposed by any member in the Democratic caucus, and that was the only part of the resolution that was voted down.

Mr. LENROOT. Mr. Speaker, in reply to that, I prefer to quote from the debate in the CONGRESSIONAL RECORD had on that day. I quote first from the distinguished chairman of the Committee on Banking and Currency [Mr. PUJO]. On the 24th day of February he said:

The responsible majority of this House determined there should be an investigation along orderly lines and in due course of procedure. It was a jurisdictional question.

The Democratic Party, in its caucus, arrived at the conclusion that the investigation should be made by a committee having jurisdiction of the subject matter.

Is there any claim now that the Banking and Currency Committee has jurisdiction under the rules of this House of the subject matter now contained in this resolution? Will anybody answer?

I desire to refer next to the distinguished chairman of the Committee on the Judiciary, the gentleman from Alabama [Mr. CLAYTON], who during the course of that debate said:

Mr. Speaker, in order to still the impatience of the gentleman from Kansas [Mr. CAMPBELL], and the gentleman from Nebraska [Mr. NORRIS], and the gentleman from Wisconsin [Mr. LENROOT], I beg to read to the House a resolution which I have to-day introduced.

He then read a resolution introduced, which has since been adopted, giving to the Judiciary Committee jurisdiction over a portion of the matter now covered by resolution 405, and then the gentleman continued:

And I think under this resolution my friend from Nebraska [Mr. NORRIS], who is a member of the Committee on the Judiciary, and I can get busy and do any necessary investigating.

There can be no question, gentleman, that your caucus action was that the various subjects referred to in House resolution 405 should be investigated by the separate committees having jurisdiction of the subject. Is there any question about that?

The contention on this side with reference to this whole question—a contention which is fully vindicated by the resolution now pending before this House—was that while you pretended to give the Committee on Banking and Currency jurisdiction to investigate the so-called Money Trust, in fact you did not enlarge the jurisdiction of that committee one iota, and I stated in the opening of the debate then that this was an attempt upon your part to perpetrate a fraud upon the membership of the House and the country. Your committee now concedes that if the resolution should remain in the form in which it was passed, that would be the effect of it. It has been said by the chairman of the Committee on Banking and Currency that the only question before it was whether, there being a reference in the original resolution to House resolution 405, which had not been passed, it was not such a defect as would deprive the committee of jurisdiction over the subjects mentioned in resolution 405. But, Mr. Speaker, they forget that there was no attempt in that resolution to give the committee any jurisdiction over the matters covered in the original resolution 405 other than the committee had already full jurisdiction of, and what we complained about at that time was that they in express words limited the power of the committee with reference to the matter stated in House resolution 405 to matters within its jurisdiction, and the resolution would have meant exactly the same thing if all reference to resolution 405 had been omitted.

So much for that caucus action. I hope that a majority of that side of the aisle, notwithstanding that caucus action, will vote for this resolution to-day, because the resolution is right, and your duty ought to be greater to the public than it is to a secret Democratic caucus. [Applause on the Republican side.]

Now, with reference to the contention made at the time this original resolution was passed by Members on this side, I want

to make one or two references to the debate that occurred at that time. I made the point then that the resolution was not sufficient to give this committee jurisdiction of this subject, and the gentleman from Texas [Mr. HARDY], replying, stated:

Mr. Speaker, in my opinion, if the Committee on Banking and Currency upon the adoption of this resolution were to adopt the narrow construction placed upon it by the gentleman from Wisconsin that committee would be damned by the whole country.

Well, Mr. Speaker, that committee now has adopted that narrow construction contended for by the gentleman from Wisconsin, and whether the committee is damned or not by the whole country it is not for me to say. I am glad, however, that there is repentance upon their part, because—

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LENROOT. Can I have five minutes more?

Mr. DALZELL. I yield five minutes additional to the gentleman.

Mr. LENROOT. Because of the force of public opinion upon this question that committee is compelled to come back to the House and ask for a resolution that means something that if the committee does its duty will enable it to investigate these great questions as they ought to be investigated. And again the gentleman from Georgia [Mr. HARDWICK], who I believe is not present to-day, closed the debate upon that occasion, and this is what he stated:

Mr. Speaker, it seems to me that the burden of complaint sung by the gentleman from Wisconsin [Mr. LENROOT] and the gentleman from Nebraska [Mr. NORRIS], when measured carefully and boiled down, means insurgent discontent at Democratic harmony. These gentlemen insist that the resolution that this House is asking to pass will not authorize a real investigation. I challenge the assertion. I question the sincerity of gentlemen who dare make such a statement on the floor of this House.

This House can confer upon no committee, regular or special, any broader power than it possesses itself; and if this House has not conferred upon this committee as broad a power as the House of Representatives itself possesses, then I stand confessed as a defeated champion in this cause.

And by the action of the committee in now coming and asking for the very power that we insisted should be inserted in this resolution the gentleman from Georgia does stand confessed, as he said he would, and I shall be interested, Mr. Speaker, in watching the vote upon this question to see now if all your lawyers upon that side of the House are convinced that the resolution did not confer sufficient power upon this committee.

Mr. TRIBBLE. Mr. Speaker, may I ask the gentleman a question?

Mr. LENROOT. And I am interested in knowing whether you are more interested in having a real investigation of this so-called Money Trust or whether you are more interested in wearing the collar of a secret caucus of your party. Now I yield to the gentleman.

Mr. TRIBBLE. In the absence of my colleague, I would like to ask the gentleman whether the committee has made any effort to have the real investigation that you asked for? What has the committee done except come back and ask for this resolution? What have they done? Have they undertaken to have any investigation? Have they subpoenaed any witnesses for an investigation?

Mr. LENROOT. Certainly not, because they have found if they are going to have an actual investigation—and I doubt very much whether it was so intended at the time this resolution was passed—when it was finally determined, because of public opinion, that an investigation must be had, they found they could not make it without coming back to this House and getting power to do it.

Mr. RODDENBERRY. Will the gentleman yield?

Mr. LENROOT. I will.

Mr. RODDENBERRY. In that connection, is it not true that in the same Record of February 24, from which the gentleman has just quoted, Mr. Chairman PUJO himself said, in response to an inquiry, that if it should be found that the committee did not have ample power to make the investigation the committee certainly would report to the House and ask for such further and additional power as might be found necessary?

Mr. LENROOT. Yes; he did make that statement, and if the gentleman desires to leave the matter, that every lawyer upon this side at once saw that the resolution was insufficient to give the necessary power, and it took two months' time for lawyers upon that side to discover it, he is welcome to take that position. [Applause on the Republican side.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HENRY of Texas. Mr. Speaker, I yield three minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Speaker and gentlemen of the House, the Members of both sides of this House have

professed a desire to thoroughly investigate this alleged Money Trust. Resolution 429 directed us to investigate, for the purpose of determining what legislation is needed, the matters touched upon in resolution 405. Even assuming that by referring to resolution 405 it was made as completely a part of 429 as if it were embodied in it, yet the fact that our jurisdiction under resolution 429 is restricted to an investigation for the purpose of determining what legislation is needed makes it apparent at once that we could not investigate the interstate railroads, private banking houses, or State banks as to their connection with a Money Trust, because our committee could not recommend legislation as to those institutions. Under the Kilburn case it would be a fruitless investigation into the private affairs of those institutions, because our committee would have no power to recommend legislation to remedy any wrongs which might exist. The resolution introduced to-day will give us all the power necessary. The subcommittee charged with this investigation, desiring to make a full and complete investigation of this subject, believed it wise to come and ask to be clothed with power that would enable it to carry out the directions of this House.

Mr. TRIBBLE. May I ask the gentleman a question?

Mr. BYRNES of South Carolina. Yes.

Mr. TRIBBLE. What has the committee done?

Mr. BYRNES of South Carolina. The committee has studied the law—

Mr. TRIBBLE. You have done nothing except to study the law?

Mr. BYRNES of South Carolina. The committee has worked and now has experts at work. But the committee had counsel, the Hon. Edgar H. Farrar, of New Orleans, and Mr. Samuel Untermyer, of New York, analyze this resolution, and after they had considered it they reported to us as their judgment that while we could investigate some matters in this resolution, other matters we could not, and as to other matters there was so much doubt it was necessary that we secure a proper resolution from the House, and we come to you asking for that resolution.

Mr. LOBECK. The fact is, you have done something.

Mr. BYRNES of South Carolina. We have done something, though the gentleman from Georgia may not know it. He and some others may think that we should have summoned witnesses without having any definite plan in view; and knowing that our power would be questioned, we preferred to first secure the necessary power and then proceed.

Mr. TRIBBLE. Has the full committee ever considered this question?

Mr. BYRNES of South Carolina. The full Committee on Banking and Currency?

Mr. TRIBBLE. Yes.

Mr. BYRNES of South Carolina. The Banking and Currency Committee, weeks ago, was divided, 11 members of it being directed to make this Money Trust investigation and the other members being directed to consider the legislative features of the Aldrich-Vreeland banking scheme. The Democratic members of the subcommittee considered this question and ask for this resolution.

The SPEAKER pro tempore. The time of the gentleman from South Carolina has expired.

Mr. HENRY of Texas. I yield one minute additional to the gentleman.

Mr. BYRNES of South Carolina. I can say this to the Members of this House: If the House was serious in intrusting to the Judiciary and to the Interstate Commerce Committees the investigation of interstate railroads and life insurance companies or other matters, why should it now refuse to give us this power? For my part, as a member of this subcommittee, I do not want to be connected with an investigation the result of which we know now would be a farce, because we would be stopped at every step; and if we are to be hedged in, if we are to be restricted in our power, I can say to the House that I intend to ask the chairman to be relieved from duty upon this committee, because I do not desire to be one of a committee starting out to investigate a Money Trust, by direction of this House, and knowing from the very commencement of the investigation that we can absolutely make of it nothing but a farce. [Applause.]

Mr. HENRY of Texas. Mr. Speaker, I will ask the gentleman from Pennsylvania to use some of his time.

Mr. DALZELL. Mr. Speaker, I yield 10 minutes to the gentleman from Kansas [Mr. CAMPBELL].

Mr. CAMPBELL. Mr. Speaker, it has taken the Democratic majority in this House two months to arrive at the conclusion that they had no jurisdiction under the resolution agreed to by the Democratic caucus. Our Democratic brethren were told

when that resolution was up two months ago that it was not broad enough for the investigation proposed and such as the country was demanding. Every lawyer on this side of the House knew that resolution gave no jurisdiction outside of merely investigating the national banks of the country and gave no authority to go into any business enterprise except the national banks. Everybody who is a lawyer understood that.

I understand there are about 225 Members on the Democratic side of this House, and I have also understood that there were some fairly good lawyers there. It seems that in the Democratic caucus these lawyers were of the opinion that the resolution was broad enough for the kind of investigation the Democratic caucus wanted to order. Either that or they did not know. They were simply offering the country a mere sham investigation. The gentleman from South Carolina [Mr. BYRNES] now admits that the investigation under the resolution agreed to by the Democratic caucus would have been a mere sham, that they could not bring anybody before the committee, outside of a national banker, and require him to testify to any matter that was germane to the investigation.

Mr. BARTLETT. May I ask the gentleman a question?

Mr. CAMPBELL. Yes.

Mr. BARTLETT. Did you not vote for it on the final passage of the resolution?

Mr. CAMPBELL. Oh, yes; because it was better than nothing at all. It was the only alternative I had. I had been gagged by the previous question. I will say to the gentleman that I would have voted for a better resolution.

Mr. BARTLETT. The gentleman joined with the Committee on Rules in their report. He did not make any minority report on it?

Mr. CAMPBELL. Oh, no; I did not make any minority report.

Mr. McGUIRE of Oklahoma. I will ask the gentleman this question: While he did vote for the resolution, did he not call the attention of the House, and particularly the attention of that side of the House, to the fact that they could not reach anything except the national banks?

Mr. CAMPBELL. Yes; exactly.

Now, I want to call the attention of the House to this prominent fact in regard to this investigation: It remained for a couple of lawyers to give advice to the 225 Democratic Members of the House that they had no jurisdiction under the resolution that had heretofore been agreed to. [Applause on the Republican side.] And upon the advice of counsel I assume that the caucus was reconvened and the action upon the old resolution rescinded and the committee authorized to go to the Committee on Rules for such a resolution as able lawyers had told them would authorize the kind of investigation that they had said they were in favor of. I am not in the secrets of the Democratic Party and I do not know whether there was such a caucus or not. If there was not such action by the Democratic caucus, then the advice of their lawyers supersedes the action of the Democratic caucus.

But it is expensive to the country. It would be far cheaper for the country to hire a couple of good lawyers and dispose entirely of the Democratic Party and its caucus.

Mr. FITZGERALD. Mr. Speaker, will the gentleman yield for a question?

The SPEAKER pro tempore. Does the gentleman from Kansas yield to the gentleman from New York?

Mr. CAMPBELL. Yes.

Mr. FITZGERALD. Which is the better plan, in the gentleman's opinion—this Democratic caucus to take the advice of two good lawyers or to adopt the policy of the last Republican administration, to take the advice of Mr. Perkins, who did not want to be investigated? [Applause on the Democratic side.]

Mr. CAMPBELL. I am now discussing this resolution.

Mr. FITZGERALD. That may be the safest thing for the gentleman to discuss. [Laughter.]

Mr. CAMPBELL. However that may be, I shall confine myself to a discussion of this resolution and proceed to say that you were given advice when the resolution was before the House some weeks ago by lawyers from this side, who advised you fully that you were proposing to pass a resolution that did not give any authority whatever.

Mr. BARTLETT. The gentleman speaks of lawyers on that side?

Mr. CAMPBELL. Yes.

Mr. BARTLETT. Are there any lawyers on that side? [Laughter.]

Mr. CAMPBELL. Oh, yes; and lawyers that gave advice to the Democratic side of this House when the resolution was up on the 24th day of February, exactly on all fours with that advice which has been given by the two lawyers that have been

hired by the committee, and we gave it freely. It cost the country nothing except the salary of the lawyers on this side of the House.

Mr. BARTLETT. I have always found out that the free advice of lawyers is not worth anything. [Laughter.]

Mr. CAMPBELL. You had the same advice when you hired these two lawyers as we gave you.

What has become of the investigation that is to be made by your Committee on the Judiciary? I am anxious to know what the gentleman from Alabama [Mr. CLAYTON], who is somewhat assertive of his rights, is going to do with the authority that the House gave him only a few days ago to make an investigation. In all probability the chairman of the Committee on the Judiciary will convene his committee and they will employ counsel to advise them what their rights are in the premises, and if it is decided that they have jurisdiction over all matters that involve trust questions, they will probably insist upon asserting those rights.

Mr. HENRY of Texas. Mr. Speaker, will the gentleman yield there?

Mr. CAMPBELL. I understand that the chairman of the Committee on Interstate and Foreign Commerce also has a resolution which he is ready to offer.

Mr. HENRY of Texas. I do not see the gentleman from Alabama [Mr. CLAYTON] present, the chairman of the Committee on the Judiciary; but, having the honor to be the ranking member, the second member of that committee, I will state that the Committee on the Judiciary, so far as I know, will proceed to investigate the trust problems, as they were instructed to do by this House, and I think I can state for the chairman that he is not opposed to this resolution, because he knows it does not conflict with his committee's jurisdiction. [Applause on the Democratic side.]

Mr. CAMPBELL. But this resolution gives jurisdiction over the trusts. Are we to have as many investigations as there are committees of this House?

Mr. HENRY of Texas. In so far as it relates to the Money Trust.

Mr. CAMPBELL. I assume, then, that the gentleman from Georgia [Mr. ADAMSON], chairman of the Committee on Interstate and Foreign Commerce, will insist on the right of his committee to investigate all questions that involve our interstate and foreign commerce.

Mr. HENRY of Texas. If the gentleman will permit me, I will say that I am ready to report out a resolution giving his committee the authority that the caucus instructed. Will the gentleman do the same?

Mr. CAMPBELL. Oh, I shall vote for all of these resolutions, as I have done heretofore.

Mr. HENRY of Texas. I beg the gentleman's pardon. I thought he was on the other side of the question.

Mr. CAMPBELL. Oh, no. I am simply making some inquiry of the Democratic side of this House as to why they had to come back. I used to know a man who always had to come back and grease his wagon after he started to go to town. It would have been far better for the country for gentlemen on the other side of the House to have taken the advice they had two months ago, without hiring lawyers to advise them as to their rights in these matters, and then get the same advice they had refused to take.

Mr. HENRY of Texas. Mr. Speaker, will the gentleman from Pennsylvania use some more of his time?

Mr. DALZELL. I will yield five minutes to the gentleman from California [Mr. HAYES].

Mr. HAYES. Mr. Speaker, it seems to me this is an extraordinary proceeding. Some weeks ago we were advised that the Democratic Party in solemn caucus assembled had decided upon a certain line of conduct in regard to the investigation now under consideration. Now, the gentleman from Texas [Mr. HENRY], the chairman of the Committee on Rules, and the gentleman from Louisiana [Mr. PUJO], the chairman of the Committee on Banking and Currency, without any further caucus action, come here and offer a resolution and ask the House to pass it, which resolution the Democratic caucus on the occasion referred to solemnly turned down. That would be extraordinary enough; but more extraordinary still, the gentlemen on the other side try to give the impression that this resolution is here at the request of the Committee on Banking and Currency, or at least of the subcommittee having charge of this investigation. As a member of that committee and of that subcommittee, I wish to say that this matter has never been brought either before the committee or the subcommittee for its action.

Mr. PUJO. Will the gentleman yield for an interruption?

Mr. HAYES. If I can get a little time.

Mr. PUJO. Only a moment. In my opening statement I said this resolution had been introduced by me at the request of a majority of the majority members of the subcommittee.

Mr. HAYES. I think the gentleman so stated, and I simply want it distinctly understood that the minority members of that subcommittee have never been consulted in regard to this matter, that the resolution has never been brought before that committee, and I think I do not violate any of the rules of this House if I state things that have not transpired before that committee. During these weeks that have gone by very few, if any, meetings of the subcommittee have been held—I recall none—at which the minority members of that committee have had an opportunity to be present. We have not heard the discussion of this matter. We are only advised by such proceedings as this and by the public press what the action of the committee is proposed to be.

A special accountant was employed by the subcommittee at its only meeting that I recall. The minority members of the subcommittee have not been present when any discussions were had or when any action was had to decide what the scope of this investigation should be or the methods under which it should be conducted. Nothing of the kind. The matter has been conducted by the majority of the Banking and Currency Committee and by the majority of the subcommittee, and treated as a purely political matter at meetings at which they evidently did not desire to have the Republican members present.

Mr. GLASS. If I may interrupt the gentleman, is that at all unusual?

Mr. HAYES. I will say to the gentleman that I have served on the Banking and Currency Committee for seven years, and I recall but one such case where the committee did not have a full meeting of the committee. I recall no case where the majority of that committee have discussed any important matter except in the presence of the full committee.

Mr. GLASS. Perhaps I can recall to the gentleman's mind a very distinct occasion when that was done. When the Vreeland-Aldrich bill was considered it was considered by the majority members of that committee without the presence of a single minority member, and when it went over to the Senate it was there considered by the Republican members of the Senate Finance Committee. Senator Daniel, of Virginia, protested on the floor of the Senate against that sort of a proceeding, and Senator Aldrich answered him that it was not at all unusual.

Mr. HAYES. Mr. Speaker, I will say, in reply to the gentleman, that that bill was discussed before the full committee, not at one meeting or two, but I think for weeks, and the gentleman, if he chose, and every member of the minority could have been present, for they received notice of the meetings, and it was their undisputed right to attend. In the case under consideration weeks have passed by without the minority members receiving any notice of meetings, to say nothing of having an opportunity to participate in the deliberations of the committee, although we conjecture from what we see and hear that the policy to be pursued and the scope and manner of the investigation have been fully decided upon by the majority members of the committee, and a large clerical force is even now engaged in the actual investigation under the direction of the majority members, but what this force is engaged upon the minority members are not advised.

In the action of the Banking and Currency Committee while I have been a member of it the only occasion where there was any meeting separate from the minority by the majority members of the committee was when the Fowler currency bill was finally reported out.

Mr. GLASS. And that was the crucial time, but the gentleman is mistaken as to that statement.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. DALZELL. I will yield the gentleman one minute more.

Mr. HAYES. Since I have been a member of the Banking and Currency Committee that committee has never been run as a political machine. I want this House to understand, and I think it is entitled to understand, and I want the country to understand, that it is apparently the intention of the majority of this House to run this subcommittee as a political machine. I think the minority members are entitled to some rights, and I protest in the name of the minority against the methods adopted by the majority. In an important matter of this kind it should not be brought before the House until the members of the minority have had an opportunity to hear the discussion, participate in it, and express their opinion about it.

Mr. BYRNES of South Carolina. Is the gentleman in favor of the resolution?

Mr. HAYES. I intend to vote for the resolution, but that does not make any difference with the method of proceeding. I think that a matter of this kind should be conducted wholly and entirely as a nonpartisan matter. It is a matter too large to be made a political question, and this investigation should be conducted as the Banking and Currency Committee have always considered great questions, in a nonpartisan manner, giving full rights to the minority members of the committee, as the rules of the House require. [Applause.]

Mr. FOSTER. Mr. Speaker, having temporary control of the time, I will yield five minutes to the gentleman from Kansas [Mr. NEELEY].

Mr. NEELEY. Mr. Speaker, I do not know what force public opinion has had upon gentlemen on the other side of the Chamber, but speaking for myself public opinion has had nothing to do with this resolution. I am for it because I have always been for it—for a full, fair, unprejudiced, unbiased investigation of the so-called Money Trust, and to obtain and secure the actual facts in relation to that matter, without regard to whom it may injure or whom it may benefit; not as a Democratic Party measure, but as a measure for the people of this country as a whole.

It has not taken two months for me to determine that this committee did not have jurisdiction of what I think should be investigated, and what I think the Democratic caucus intended should be investigated. Immediately upon my selection as a member of the subcommittee I began to study this resolution, and I very soon came to the conclusion that it lacked the teeth that it ought to have. I now believe that it has the teeth in it necessary to find out the relations of the Steel Trust to the Money Trust; that it has the teeth in it necessary to find out the relation of the Harvester Trust to the Money Trust; that it has the teeth in it necessary to find out all the facts that the people want to know about matters that are of vital importance to the country at this time.

I notice that the gentleman from Kansas [Mr. CAMPBELL] has been a Member of this Congress for four terms, and that at no time, so far as my knowledge goes, has he ever offered a resolution of this kind to investigate the Money Trust, or any trust for that matter, and that the gentlemen on the other side are very much agitated about the action of the Democratic caucus.

The Democratic caucus has nothing to do with this measure, and the man who votes against this resolution is opposed to any investigation. The man who hides behind the cloak of committee jurisdiction or caucus action is opposed to any investigation of the so-called Money Trust. [Applause.] It is a clean-cut issue. You have only one choice to make; you are either with us or you are against us. House resolution 409 provided that the committee should have jurisdiction to inquire into the things named in resolution 405 within the jurisdiction of said committee.

Mr. NORRIS. Will the gentleman yield?

Mr. NEELEY. Yes.

Mr. NORRIS. I want to ask the gentleman if, when the other resolution was up, when we tried to put some teeth into it, if he did not vote against any proposition that would put teeth into it?

Mr. NEELEY. I did not hear that the gentleman offered to put any teeth in it. If I voted for the resolution, it was because I wanted an investigation; and I am here now to get the teeth, because I think the old resolution insufficient.

Mr. NORRIS. Did the gentleman vote for the previous question on that occasion? We tried to defeat the previous question so it could be amended and teeth put into it, but in obedience to your secret caucus you defeated us in that attempt.

Mr. NEELEY. I would like to ask the gentleman now if he is in favor of putting teeth into it?

Mr. NORRIS. I am in favor of putting teeth into it now, and I was then. The gentleman is now in favor of putting teeth into it, but he was not then. [Applause on the Republican side.]

Mr. NEELEY. It was stated at the time that if the resolution did not have the power necessary, we would come back and get more power; and we are back, and we have no apology to make for coming back. [Applause on the Democratic side.]

Mr. HENRY of Texas. Mr. Speaker, I yield four minutes to the gentleman from Indiana [Mr. GRAY].

Mr. GRAY. Mr. Speaker, I only want to address myself to those Democrats who are afraid to order this investigation for fear they will get into trouble. When we first had this investigation up before this House there were some Democrats who said that the gentleman from Minnesota [Mr. LINDBERGH] undertook to get this investigation made in a Republican Con-

gress and that he was turned down, and that now if we ordered this investigation here so soon after we came into power we would all get into trouble.

Mr. Speaker, with millionaires on the one hand and mendicants on the other, with palaces on one side and hovels on the other, with swollen fortunes upon one hand and abject poverty upon the other, and with individuals coming into the possession of such vast amounts of wealth in a single decade that they can not give it away in a lifetime through the endowment of libraries; with the cost of living raised so high to the workingman that he can no longer, with his own hands, with his own labor, support a wife and children, but must drive his babies out of the cradle into the factories, into the sweatshops, to earn their own living, instead of Democrats running from trouble, all good Democrats ought to be looking for trouble. [Laughter and applause.]

I yield back the balance of my time.

Mr. HENRY of Texas. Mr. Speaker, I yield five minutes to the gentleman from Pennsylvania [Mr. PALMER].

Mr. PALMER. Mr. Speaker, it is a source of constant amusement to me to listen to Members on the other side who in one breath assail and condemn the Democratic caucus because it is a secret meeting and at the same time proceed to tell, with a cocksureness born of the rankest partisan prejudice, everything that happened in that Democratic caucus. Because that caucus is secret, however, it is perfectly natural that what these gentlemen say happens there rarely does happen; and so it is in relation to this proposition of the investigation of this Money Trust.

The fact is, Mr. Speaker, that this resolution now introduced is not only in line with the Democratic caucus upon this question, but is an absolute vindication and justification of the action of those Democrats in that caucus who supported what was known as the Underwood substitute for the original Henry resolution.

The fact is that before that caucus met the country in some sections had received the impression, carefully fed to it from Republican sources, that the Democratic Party did not want an investigation of the Money Trust and proposed to side-step it by referring it to a regular committee of the House. They argued that nothing but a special committee would mean a real investigation of the Money Trust, so that when we got into the Democratic caucus we were met by the situation that we would discredit a regular committee of the House if we gave this resolution to a special committee, and in order to show the country that all the Democrats of this House were earnestly seeking to do their duty, we referred to the regular Committee on Banking and Currency every question which was covered by the Henry resolution, which came within the jurisdiction of that committee, and nine-tenths of the members of the caucus sitting in their seats that night, many of them so declaring upon the floor, believed, and I was one of them, that there is a Money Trust and that it ought to be investigated. We believed also, however, it should not be investigated in a way which would discredit the fairness of the investigation or appeal to the desires of such sensational papers of the country as wished to make political capital out of this investigation of business conditions, but that it should be conducted in an orderly and proper manner through a regular committee of the House.

It was on that account, and on that account solely, that it was referred to this Committee on Banking and Currency, the members of that committee making the statement then that if they could not carry out the wishes of nine-tenths of the caucus in favor of a real investigation as covered by the Henry resolution, under the Underwood substitute, they would come back to the House and ask for sufficient power to make that investigation of every question covered by that resolution, and they are here now making good, justifying the placing of the power in that committee, and showing that a regular committee of the House intended then and intends now to make as real and absolute an investigation of this momentous question as any special committee could make. Therefore, when we vote for this resolution, we vote to sustain, if not the letter of the caucus action, certainly the true spirit and intent of the Democratic caucus. [Applause.]

Mr. STEPHENS of Mississippi. Mr. Speaker, the gentleman from Wisconsin [Mr. LENROOT], as I understood him, stated that he had doubt as to whether this committee, at the time it was invested with power to make this investigation, really wanted or intended to make the investigation.

Mr. LENROOT. I referred to the Democratic majority.

Mr. STEPHENS of Mississippi. The Democratic majority, then—that the Democratic membership of this House did not intend or desire to make the investigation.

I have said on this floor before, and I repeat now, that I have never heard a single Member on this side of the House express a wish or desire that the investigation should not be made.

Mr. Speaker, there is absolutely no foundation for the charge made by the gentleman. I can not understand why he makes it now or why he should have any such doubt in his mind, unless it be for the reason that he has been so long a member of a party which has for years bowed down at the shrine of wealth, which has so long been willing to be dictated to by men of high standing and great wealth, which has for its leaders men who have been controlled by special interests; unless it be, I say, that he has seen so much of this kind of business within the ranks of his own party that he has become suspicious of every man, and that he supposes that the Democrats will be actuated and controlled by the same motives and interests that have dominated and controlled many of the leaders of his own party.

There is criticism that we are going back on the action of the Democratic caucus. This is not the fact. I assert positively that this is exactly in line with the plan mapped out by the caucus. The fight there was over the single proposition as to whether the investigation should be made by a special or a standing committee, and it was voted that it should be made by standing committees, and the subject matter now proposed to be investigated is exactly the same that the caucus directed to be investigated.

Mr. Speaker, Republican Members take great delight in criticizing the Democrats for holding caucuses, and try to make political capital out of it. Every party has its caucus. It is referred to as a "secret caucus." If it is supposed to be secret, it is not really so, because every act is soon heralded abroad. In fact, it is a rule of the caucus that the records shall be open to the public, and anyone has a right to see the record and to know just how each Member votes on each roll call.

So far as I am concerned, I have no particular objection to changing the rules of the caucus so as to let everyone attend who desires to do so, because, as I have said, everything that is done is soon known anyway. In fact, when the question was voted upon as to whether the caucus should be "secret" or "open," I voted for the open caucus.

It is said that this committee has not done anything up to this time. The gentlemen who make this statement do not know anything about the matter. The committee has been hard at work ever since the matter was placed in their hands. I doubt if any Member of this House has done any more work than has the Democratic members of this subcommittee. We are engaged in gathering information and data that is necessary to be had before witnesses are called and hearings begun.

No good lawyer would go into the trial of a case until he had had an opportunity to thoroughly prepare his case. He would not call a witness until he knew to what facts the witness would testify. To do so would write him down as either a fool or an inexperienced lawyer.

It is charged that there is a monopolistic control of credits; that the great interests are crushing the people of the country. This is a matter of such vast importance that it must be carefully gone into by the committee before the taking of testimony begins. The committee is anxious to make a success of the investigation, and I believe will do so. It will take time to uproot and overturn the great evils that have so firmly fixed themselves upon the country. Those engaged in these iniquities will not volunteer the information, and we must dig up all that we can.

The committee expects to take ample time to prepare the case. I feel sure that there are many persons who would like to see the investigation begun before thorough preparation is made, because they know that it would mean a complete failure, an inglorious fiasco, which is exactly what they want, for they are at heart opposed to any investigation.

Mr. HENRY of Texas. Mr. Speaker, I yield four minutes to the gentleman from New York [Mr. FITZGERALD].

Mr. FITZGERALD. Mr. Speaker, gentlemen upon the other side have complained of the manner in which a Democratic House proposes to conduct the proposed investigation. They have asserted that the investigation was neither sincere nor would it be thorough. They now seem very anxious that an investigation be conducted that will go to the bottom and disclose whatever evils exist. Whatever evils do exist, Mr. Speaker, originated and developed during the long period of complete Republican control of this Government. [Applause on the Democratic side.] No one ever suggested until the Democrats came into power in the House that there should be an investigation to determine whether these evils, the result of vicious legislation enacted by the Republican Party, could be corrected or what legislation would eliminate the abuses result-

ing therefrom. Even those gentlemen known as the progressives or insurgents in the Republican Party were suspiciously silent, and their efforts were completely restrained during the time their own party was in power. If there ever has been any doubt as to the necessity of an investigation by a Democratic House it has been made clear by the reports that appear in to-day's press that such an investigation is imperative. [Applause on the Democratic side.] The last administration stopped and stifled an investigation which was designed to bring to the bar of justice a great, prominent, and influential element in the commercial life of the country, which was then violating the Sherman antitrust law; and the trust which was to have been proceeded against is now being dissolved through an arrangement with the Department of Justice in order to avoid a prosecution, which was to have been initiated. There was in the files of the department correspondence from public officials with a Republican President of the United States, in which it appears that the administration was influenced to stop an investigation, because it might arouse the hostility of great financial groups generally designated as the Morgan interests, and lest perchance somebody, through overzeal, might furnish the information to the public, the correspondence was marked "confidential."

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. FITZGERALD. Not now—and it would never have been disclosed to the public if the exigency of a desperate political campaign did not make it desirable for one of the candidates to give it to the public. [Applause on the Democratic side.] Mr. Speaker, if there be any more information hidden in the archives or records of the Government, we desire to have it laid bare, not in the interest or to the disadvantage of any Republican candidate for the nomination for the Presidency, but for the welfare of the people, in order that they may know the great, dominant power of the financial interests over the administration of public affairs while the Republican Party was in complete control of the Government. It is a matter of more importance now than anything that confronts Congress. Is there to be continued an administration which will keep from the public important public documents which demonstrate that the financial interests of the country have a controlling grip upon a Republican administration, and that permits such information to be disclosed only when it may help or hurt Republican candidates, or is such information to be given to the country and to the people's representatives in order to enable them to discharge honestly the responsibilities placed upon them? [Applause on the Democratic side.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. DALZELL. Mr. Speaker, I yield the remainder of my time to the gentleman from Illinois [Mr. MANN]. [Applause.]

The SPEAKER pro tempore. The gentleman has 14 minutes.

Mr. MANN. Mr. Speaker, under the implied threat of the gentleman from Texas, we were compelled to agree to a limitation of debate of 45 minutes to a side, and even of that all of the time consumed except 14 minutes has been consumed by gentlemen who favor the resolution. I rise to oppose the resolution. Mr. Speaker, on February 3 the gentleman from Texas [Mr. HENRY] introduced a resolution known as House resolution 405, which was considered by the Democratic caucus, as we are advised, and a decision reached not to pass the resolution, but that the authority conferred in that resolution upon a special committee should be exercised by the regular committees of the House. On February 9 the gentleman from Louisiana [Mr. PUJO] introduced a resolution conferring upon the Committee on Banking and Currency power to make the investigation as far as its jurisdiction extended.

On February 24 the Committee on Rules reported to the House resolution 429, which was passed, giving to the Committee on Banking and Currency power to make investigation of every matter under its jurisdiction which was contained in House resolution 405, originally introduced by the gentleman from Texas [Mr. HENRY]. The other day the gentleman from Louisiana [Mr. PUJO] introduced House resolution 502, to extend the powers of the Committee on Banking and Currency, almost in the language of the resolution now pending, namely, No. 504. These two resolutions both contain all the provisions which were in House resolution 405—the original one—except that the resolution now pending includes additional matter besides what was originally included in House resolution 405. And we are led to understand that the Democratic side of the House is afraid of its Committee on the Judiciary, is afraid of its Committee on Interstate and Foreign Commerce, afraid to let them continue alone the investigation of the matters pertaining to their jurisdiction, and now propose to give to the Committee on Banking and Currency the entire jurisdiction over every matter originally included in the Henry resolution,

Figuratively speaking, I take my hat off to the gentleman from Texas [Mr. HENRY], who introduced the original resolution. He had the nerve to be in favor of it. The gentleman from Alabama [Mr. UNDERWOOD] and the gentleman from Missouri [Mr. CLARK], the honored Speaker of this House, went into a Democratic caucus and defeated a favorable report or action upon the Henry resolution. But these two gentlemen are candidates for nomination for President. The gentleman from Texas [Mr. HENRY] has run them to cover. He has his way now, representing another candidate for the Presidency, Mr. Wilson, of New Jersey; and the distinguished candidates for the Presidency from Alabama and Missouri are afraid to stand where they stood at the time of the Democratic caucus and have laid down and let the gentleman from Texas [Mr. HENRY] walk over their prostrate bodies. [Applause on the Republican side.]

Mr. Speaker, the resolution which was originally passed by the House, No. 429, in my opinion gave to the Committee on Banking and Currency all the jurisdiction which Congress could confer on the subject of banking and currency. An investigation under that resolution was an investigation exercising the constitutional powers of the House. The pending resolution has matters in it which every lawyer ought to know the Constitution would not permit the House to investigate. What authority have we to investigate legislation or the influences affecting legislation in the different States of the Union? What authority have we to investigate why Alabama or Texas passes certain laws? What authority have we to investigate purely State corporations, as is proposed by this resolution?

Mr. Speaker, we are advised now that the Committee on Banking and Currency has engaged as its counsel Mr. Untermeyer, of New York; that he has prepared this resolution now presented before us; and I am informed that he prepared the original Henry resolution.

Mr. HENRY of Texas. Will the gentleman yield?

Mr. MANN. I will yield for a very short statement.

Mr. HENRY of Texas. I want to correct the gentleman. Mr. Untermeyer did not prepare the resolution that I introduced. I prepared it myself, and he has stated he never saw it to read it, and Mr. Farrar had as much to do with this as Mr. Untermeyer.

Mr. MANN. Very well. I do not know who prepared it. Whoever prepared it was not a lawyer; that I know. The resolution originally undertook to provide that this House could grant immunity to witnesses testifying before it, when the veriest tyro in the law knows that the House for itself has no such authority. I only judged that Mr. Untermeyer prepared it, because I did not believe my gallant captain from Texas, now the mighty character in Democratic politics, thought the House could change the law about immunity to witnesses. [Applause on the Republican side.]

Mr. Speaker, my opposition to this resolution is not an opposition to an investigation. I have no objection to all the committees you may appoint which attempt to make honest investigations. We passed resolution No. 429 and let the Committee on Banking and Currency proceed with this resolution a little more than two months ago—two months in a session of Congress. What has that committee done during the two months?

Mr. PUJO. Will the gentleman permit an interruption?

Mr. MANN. I will not.

Mr. PUJO. I can tell you.

Mr. MANN. The gentleman can tell it in his own time. I did not limit the time. I wanted more, but the gentlemen on that side of the House insisted on fixing the time, and now want to take up the time we have a right to occupy on this side of the House.

I will tell you what is behind the resolution. Mr. Untermeyer, of New York—not my distinguished friend from Louisiana [Mr. PUJO], because he will have but little to do with this, but the counsel he has employed—is proposing to milk the money power and the corporations that he is seeking to investigate.

This is one of these "come-and-see-me" resolutions. [Laughter and applause on the Republican side.] We have an important political campaign ahead of us. There is need for money, for funds. They say to a corporation—because this gives power to examine into every proceeding of every corporation in the land—they say to a corporation, "Come and show up everything you have ever done, or else put up the stuff." [Laughter on the Republican side.] They say, "If you dare make a movement in favor of our political opponents we drag you up before the bar of our committee."

That is what the resolution is for—not for an honest investigation of banking and currency, but an effort to prostitute the power of the Government for use, first, to collect funds, and second, to influence action in a political campaign.

No grosser abuse of the power of Congress or of the House was ever undertaken, and no such gross abuse was ever exercised before in the history of the Government as this purpose of our Democratic majority, acting as a partisan proposition, refusing in this manner even to consult the minority on the Committee on Banking and Currency, but passing a sweeping drag-net resolution under the influence of which their counsel can frighten and hold up every corporation in the country.

I know that is a welcome statement to the other side of the House. They think that means they will win at the election. They think they have the poor people with them, and now they will take the rich people with them out of fear. But, Mr. Speaker, the good sense of this country, the fairness and honesty and patriotism of the people of our country, will not permit to go unrebuked this foul and dastardly attempt to coerce everybody in the country to the support of the candidate of the gentleman from Texas. We will show you at the polls that the people still retain common sense and have no use for your methods or your contemptible attempts to do what you are trying to do now—rob and hold up every corporation that does not kneel at your feet. [Applause on the Republican side.]

The SPEAKER pro tempore. The gentleman from Texas [Mr. HENRY] is recognized for eight minutes.

Mr. HENRY of Texas. Mr. Speaker, the gentleman from Illinois [Mr. MANN] does me great honor, and I thank him for what he has said. I do not know of anyone better qualified to testify as to the process of milking the financial powers than the minority leader of the Republican Party. [Applause on the Democratic side.]

The gentleman says that this resolution provides for milking the money power of the United States. And yet here is the CONGRESSIONAL RECORD, when we formerly voted, wherein the gentleman from Illinois voted in favor of the resolution, and—

Mr. MANN. Not this resolution.

Mr. HENRY of Texas. Oh, no; not this, but the first one. Then you would vote for a weak one and not for a strong one?

Mr. MANN. I voted for one that gave the power of an investigation to the Committee on Banking and Currency and not the power to milk the corporations.

Mr. HENRY of Texas. Oh, Mr. Speaker, the gentleman from Illinois was willing to vote for a weak resolution, but not for a strong one.

Mr. Speaker, this is a sad day for the gentleman from Illinois, and he speaks lugubriously, because he knows we intend to investigate the money monopoly and that he must come out in the open on this question and he and his party friends must stand up and be investigated. [Applause on the Democratic side.]

Mr. Speaker, the gentleman refers to the Speaker of this House [Mr. CLARK] and to the gentleman from Alabama [Mr. UNDERWOOD]. Let me say in this presence to-day that in my judgment the Speaker of the House and Mr. UNDERWOOD, of Alabama, are not opposed to this resolution. [Applause on the Democratic side.]

The gentleman can not put them in that attitude. They would not suppress it. They would not suppress "My dear Harriman" letters nor the letters that were written by Perkins, or about Perkins, or those records that are lurking in a bureau of this Government. They are ready for this investigation, and the gentleman from Illinois ought to be ready. If he is not, we serve notice on him that when next November comes there will be more seats made vacant on that side of the House. If they do not meet the demands of the American people and stand for purity and righteousness in American politics they must pay the penalty. [Applause on the Democratic side.]

Mr. Speaker, it has been said that the gentleman from Alabama [Mr. UNDERWOOD] is not present to-day, and that the Speaker of the House is absent. Why not take the American people into our confidence and state the real facts about it?

The Speaker came here this morning, and had to return to his home because of his illness; and the gentleman from Alabama [Mr. UNDERWOOD], the chairman of the Committee on Ways and Means, is now in Alabama attending the marriage ceremony of his son. [Applause.] He is not running from this question. [Applause on the Democratic side.]

Let me say another thing to the gentleman from Illinois [Mr. MANN]. He need not disturb himself about my candidate for President. We have an abundance of candidates, and whether he be one of the four, whether he be Gov. Wilson or any other good Democrat—

MANY MEMBERS. CLARK! CLARK!

Mr. HENRY of Texas. Whoever he is, we intend to elect him President in November. Why, Mr. Speaker, when half the members of the Republican Party come to our candidate and say they would rather see a Democratic President than to see Taft or Roosevelt, how in the name of God can we fail? [Applause on the Democratic side.]

Mr. RUCKER of Missouri. But do not let them call up the cows.

Mr. HENRY of Texas. Oh, yes. If we let them call up the cows and go on a milking expedition, then we may have some trouble in defeating them; but the truth of the business is we have passed a campaign publicity bill, and the American people are put upon notice, and money will not go so far this year. [Applause on the Democratic side.]

Mr. Speaker, this resolution is well drawn. It was not drawn by Mr. Untermyer any more than it was drawn by Judge Farrar, and the gentleman need not try to hide behind that proposition. What hurts him is that he knows that under the guidance of Mr. Untermyer and Edgar H. Farrar, the former president of the American Bar Association, with the power that we now give to this committee, they will uncover those things that have been hidden for years, and we will know what constitutes the Money Trust. That is what disturbs the gentleman, and no assault that he may make on eminent counsel can amount to anything. He says Mr. Untermyer is the power behind this resolution. It is not the power "behind" the resolution that disturbs gentlemen on that side, but it is what is "in front of the resolution." [Applause on the Democratic side.]

So, Mr. Speaker, I contend that the resolution ought to be adopted, preamble and all. The preamble is a part of the resolution, as was decided in the Kilbourn case, and reference is made to it in the resolving part. It is well drawn. It meets the emergency, and I invoke a vote of this House to-day to adopt it. And let us proceed to the most important investigation occurring since the close of the Civil War. [Applause on the Democratic side.]

I move the previous question on the amendment and the resolution to its final passage.

The SPEAKER pro tempore (Mr. HAY). The gentleman from Texas moves the previous question.

The question being taken, on a division (demanded by Mr. MANN) there were—ayes 149, noes 62.

Accordingly the previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

Mr. HENRY of Texas. The amendment is to strike out, on page 10, beginning at line 10, down to and including the word "investigation" in line 21.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

On page 10, strike out all from line 10 to line 20, inclusive, and all of line 21 to and including the word "investigation."

The amendment was agreed to.

The SPEAKER pro tempore. The question is on agreeing to the resolution as amended.

Mr. MANN. I ask for a division, Mr. Speaker.

Mr. HENRY of Texas. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 241, nays 15, answered "present" 10, not voting 125, as follows:

YEAS—241.

Adair	Collier	Foss	Humphreys, Miss.
Aiken, S. C.	Connell	Foster	Jackson
Ainey	Conry	Fowler	Jacoway
Akin, N. Y.	Cooper	Francis	Johnson, Ky.
Alexander	Copley	French	Johnson, S. C.
Allen	Covington	Gallagher	Jones
Anderson, Minn.	Cox, Ohio	Gardner, N. J.	Kendall
Ansberry	Cravens	Garner	Kennedy
Anthony	Crumpacker	Godwin, N. C.	Kent
Ashbrook	Cullop	Goeke	Kindred
Barnhart	Currier	Goodwin, Ark.	Kinkaid, Nebr.
Bartlett	Curry	Gray	Kinkaid, N. J.
Bathrick	Daugherty	Green, Iowa	Konig
Beall, Tex.	Davenport	Gregg, Pa.	Konop
Bell, Ga.	Davis, Minn.	Gregg, Tex.	Kopp
Berger	Dent	Gudger	Korbly
Blackmon	Dickinson, Mo.	Guernsey	Lafean
Boehne	Difenderfer	Hamill	Lafferty
Boomer	Dixon, Ind.	Hamilton, Mich.	La Follette
Bowman	Dodds	Hamilton, W. Va.	Lamb
Brussard	Donohoe	Hamlin	Lee, Pa.
Brown	Doremus	Hammond	Legare
Browning	Doughton	Hardy	Lenroot
Burke, S. Dak.	Driscoll, D. A.	Harrison, Miss.	Lever
Burke, Wis.	Driscoll, M. E.	Haugen	Levy
Burnett	Dupré	Hay	Lewis
Butler	Dyer	Hayden	Lindbergh
Byrnes, S. C.	Edwards	Hayes	Linthicum
Byrns, Tenn.	Ellerbe	Heald	Littlepage
Candler	Esch	Helgesen	Lobeck
Cantrill	Farr	Helm	Longworth
Carter	Fergusson	Henry, Tex.	McCoy
Cary	Ferris	Hill	McCreary
Catlin	Finley	Howland	McDermott
Claypool	Fitzgerald	Hubbard	McGillivuddy
Clayton	Floyd, Ark.	Hughes, Ga.	McGuire, Okla.
Cline	Focht	Hull	McKenzie

McKinley	Page	Sharp	Taylor, Ohio
McKinney	Palmer	Sherwood	Thayer
McLaughlin	Peters	Simmons	Thomas
McMorran	Pickett	Sims	Towner
Macon	Plumley	Sisson	Townsend
Madden	Post	Slayden	Tribble
Maguire, Nebr.	Prince	Sloan	Turnbull
Maher	Prouty	Small	Underhill
Martin, Colo.	Pujo	Smith, J. M. C.	Volstead
Martin, S. Dak.	Rainey	Smith, Saml. W.	Vreeland
Matthews	Raker	Smith, N. Y.	Warburton
Miller	Rauch	Smith, Tex.	Wedemeyer
Moon, Tenn.	Redfield	Speer	Wickliffe
Morgan	Rees	Stedman	Willis
Morrison	Richardson	Steenerson	Wilson, Ill.
Morse, Wis.	Robinson	Stephens, Cal.	Wilson, N. Y.
Moss, Ind.	Roddenbery	Stephens, Miss.	Wilson, Pa.
Mott	Rothermel	Stephens, Nebr.	Witherspoon
Murray	Rouse	Stephens, Tex.	Wood, N. J.
Neeley	Rubey	Sterling	Young, Kans.
Nelson	Rucker, Mo.	Stone	Young, Tex.
Norris	Sabath	Sulzer	
Nye	Sells	Sweet	
Oldfield	Shackleford	Taggart	

NAYS—15.

Austin	Cannon	Henry, Conn.	Sulloway
Brantley	Dalzell	Higgins	Tilson
Bulkley	Draper	Howell	Whitacre
Calder	Evans	Malby	

ANSWERED "PRESENT"—10.

Adamson	Flood, Va.	Langley	Talbot, Md.
Andrus	Fornes	Lee, Ga.	
Campbell	Glass	Mann	

NOT VOTING—125.

Ames	Gardner, Mass.	Lindsay	Roberts, Nev.
Anderson, Ohio	Garrett	Littleton	Rodenberg
Ayres	George	Lloyd	Rucker, Colo.
Barchfeld	Gillett	Loud	Russell
Bartholdt	Goldfogle	McCall	Saunders
Bates	Good	McHenry	Scully
Borland	Gould	McKellar	Sheppard
Bradley	Graham	Mays	Sherley
Buchanan	Greene, Mass.	Mondell	Siemp
Burgess	Griest	Moon, Pa.	Smith, Cal.
Burke, Pa.	Hanna	Moore, Pa.	Sparkman
Burleson	Hardwick	Moore, Tex.	Stack
Callaway	Harris	Murdock	Stanley
Carlin	Harrison, N. Y.	Needham	Stevens, Minn.
Clark, Fla.	Hartman	Olmsted	Switzer
Cox, Ind.	Hawley	O'Shaunessy	Talcott, N. Y.
Crago	Heflin	Padgett	Taylor, Ala.
Curley	Hensley	Parran	Taylor, Colo.
Danforth	Hinds	Patten, N. Y.	Thistlewood
Davidson	Hobson	Patton, Pa.	Tuttle
Davis, W. Va.	Holland	Payne	Underwood
De Forest	Houston	Pepper	Utter
Denver	Howard	Porter	Watkins
Dickson, Miss.	Hughes, N. J.	Pou	Webb
Dies	Hughes, W. Va.	Powers	Weeks
Dwight	Humphrey, Wash.	Pray	White
Estopinal	James	Randell, Tex.	Wilder
Fairchild	Kahn	Ransdell, La.	Woods, Iowa
Faison	Kitchin	Reyburn	Young, Mich.
Fields	Knowland	Riordan	
Fordney	Langham	Roberts, Mass.	
Fuller	Lawrence		

So the resolution was agreed to.

The following pairs were announced:

For the session:

Mr. RIORDAN with Mr. ANDRUS.

Mr. ADAMSON with Mr. STEVENS of Minnesota.

Mr. FORNES with Mr. BRADLEY.

Mr. GLASS with Mr. SIEMP.

Mr. UNDERWOOD with Mr. MANN.

Until further notice:

Mr. GEORGE with Mr. WILDER.

Mr. FIELDS with Mr. LANGLEY.

Mr. HULL with Mr. LAWRENCE.

Mr. LITTLETON with Mr. DWIGHT.

Mr. CLARK of Florida with Mr. LANGHAM.

Mr. MAYS with Mr. THISTLEWOOD.

Mr. HOUSTON with Mr. MOON of Pennsylvania.

Mr. TAYLOR of Alabama with Mr. RODENBERG.

Mr. HOBSON with Mr. FAIRCHILD.

Mr. SPARKMAN with Mr. DAVIDSON.

Mr. COX of Indiana with Mr. REYBURN.

Mr. HINDS with Mr. GOULD.

Mr. SHEPPARD with Mr. WOODS of Iowa.

Mr. KITCHIN with Mr. OLMSTED.

Mr. RUCKER of Colorado with Mr. UTTER.

Mr. O'SHAUNESSY with Mr. DE FOREST.

Mr. TALBOTT of Maryland with Mr. PARRAN.

Mr. FLOOD of Virginia with Mr. PATTON of Pennsylvania.

Mr. HOLLAND with Mr. CRAGO.

Mr. WEBB with Mr. HARTMAN.

Mr. PEPPER with Mr. MOORE of Pennsylvania.

Mr. ANDERSON of Ohio with Mr. AMES.

Mr. AYRES with Mr. BARTHOLDT.

Mr. BORLAND with Mr. BATES.

Mr. BUCHANAN with Mr. BURKE of Pennsylvania.
 Mr. BURLESON with Mr. DANFORTH.
 Mr. CALLAWAY with Mr. FULLER.
 Mr. CARLIN with Mr. FORDNEY.
 Mr. CURLEY with Mr. GILLET.
 Mr. DAVIS of West Virginia with Mr. GOOD.
 Mr. ESTOPINAL with Mr. GREENE of Massachusetts.
 Mr. DICKSON of Mississippi with Mr. GRIEST.
 Mr. DIES with Mr. HARRIS.
 Mr. FAISON with Mr. HAWLEY.
 Mr. GOLDFOGLE with Mr. HUMPHREY of Washington.
 Mr. GRAHAM with Mr. HUGHES of West Virginia.
 Mr. HARRISON of New York with Mr. KNOWLAND.
 Mr. HEFLIN with Mr. LOUD.
 Mr. HOWARD with Mr. MONDELL.
 Mr. LLOYD with Mr. NEEDHAM.
 Mr. McKELLAR with Mr. MURDOCK.
 Mr. WATKINS with Mr. PRAY.
 Mr. PADGETT with Mr. PAYNE.
 Mr. POU with Mr. ROBERTS of Nevada.
 Mr. REILLY with Mr. POWERS.
 Mr. SCULLY with Mr. ROBERTS of Massachusetts.
 Mr. STANLEY with Mr. SMITH of California.
 Mr. TALCOTT of New York with Mr. SWITZER.
 Mr. TUTTLE with Mr. YOUNG of Michigan.

For two weeks:

Mr. JAMES with Mr. McCALL.

From April 17 to May 1:

Mr. BURGESS with Mr. WEEKS.

From April 13 to May 4:

Mr. HENSLEY with Mr. HANNA.

Mr. MANN. Mr. Speaker, I voted "no" on the roll call, but I am paired with the gentleman from Alabama, Mr. UNDERWOOD. I desire to withdraw my vote and be recorded as present.

The Clerk called the name of Mr. MANN, and he answered "Present," as above recorded.

Mr. CAMPBELL. Mr. Speaker, I voted "aye" on the roll call. I have a general pair with the gentleman from Georgia, Mr. HARDWICK. I understand that if he was here he would vote for the resolution; but I desire to withdraw my vote and answer "present."

The Clerk called the name of Mr. CAMPBELL, and he answered "Present," as above recorded.

Mr. LANGLEY. Mr. Speaker, I voted "aye" on the resolution. I have a general pair with my colleague, Mr. FIELDS, who is absent on account of illness. According to my understanding with the pair clerks, on this vote the pair was to be transferred to some one else. I am satisfied that Mr. FIELDS would vote for the resolution if present, but to be on the safe side I will withdraw my vote and answer "present." I want it understood, however, that I am in favor of the resolution.

The Clerk called the name of Mr. LANGLEY, and he answered "Present," as above recorded.

The result of the vote was then announced as above recorded.

JUDGE ROBERT W. ARCHBALD.

Mr. CLAYTON. Mr. Speaker, I present the following privileged resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 511 (H. Rept. 601).

Resolved, That the President of the United States be, and he is hereby, requested, if not incompatible with the public interest, to transmit to the House of Representatives a copy of any charges filed against Robert W. Archbald, associate judge of the United States Commerce Court, together with the report of any special attorney or agent appointed by the Department of Justice to investigate such charges, and a copy of any and all affidavits, photographs, and evidence filed in the Department of Justice in relation to said charges, together with a statement of the action of the Department of Justice, if any, taken upon said charges and report.

Mr. CLAYTON. Mr. Speaker, I will ask the Clerk to read the report.

The Clerk read as follows:

The Committee on the Judiciary, having had under consideration House resolution 511, reports the same back with a recommendation that the resolution be agreed to.

Mr. MANN. Mr. Speaker, will the gentleman yield?

Mr. CLAYTON. Certainly.

Mr. MANN. Has the committee made any examination or investigation at all to see whether there are any charges of a serious nature which have been made against Judge Archbald?

Mr. CLAYTON. Mr. Speaker, I will state that the committee made no investigation further than to hear the statement made before the committee by the author of the resolution, the gentleman from Nebraska [Mr. NORRIS].

Mr. MANN. Did he make a statement to the committee that there were serious charges that had been made?

Mr. CLAYTON. He did so state that there were charges against this judge, but he did not undertake to say whether those charges were pending before the Department of Justice or not.

Mr. Speaker, I ask for the adoption of the resolution.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

ADMISSION OF ALIENS INTO THE UNITED STATES.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to file minority views on the bill H. R. 22527, to further restrict the admission of aliens into the United States.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent to file minority views (H. Rept. 559, pt. 2) on the bill indicated. Is there objection?

There was no objection.

RELATIONS OF THE UNITED STATES AND MEXICO.

Mr. PETERS. Mr. Speaker, I ask unanimous consent to print in the RECORD certain remarks made by Representative EDWARD W. TOWNSEND, of New Jersey, printed in the Newark Evening News of Wednesday, April 24, 1912, on the subject of the relations between the United States and the Republic of Mexico.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent to print certain remarks in the RECORD. Is there objection?

There was no objection.

The remarks referred to are as follows:

"A certain section of the press has within the past few days shown evidence of an effort to create public opinion in favor of intervention by our country in the domestic affairs of Mexico. Appeals are being made which are poddy with patriotism and grave with business considerations, but the real purpose of these appeals is thinly disguised, and must be generally understood.

"The purpose, in fact, is to create a public demand for a thing not desired by the public, but urgently desired by certain people for a political purpose. The high esteem in which I hold President Taft, personally, does not permit me to believe that anyone would dare to go to him and urge the real purpose in asking intervention, but reckless political plungers who feel urgent need of a strong political weapon to aid them in the current presidential campaign will ply him—undoubtedly are now plying him—with arguments based on false appeals to patriotism and to business considerations.

"The danger is that the President's native love of peace and instinctive distaste for the blood price, the material waste, and all the hideous horrors of war will be overcome by the misrepresentations of desperate politicians.

"Considering first merely the material aspect involved in this question, the business men and the laboring men of the United States should give serious thought to the amazing loss this country would suffer in its Pan American commerce the moment a United States Army of invasion crossed the Rio Grande River. Not alone the loss of our trade with Mexico, but with every State lying between the Rio Grande and Cape Horn, the Latin-American countries to the south of us.

TRADE WITH MEXICO.

"Taking Mexico alone, however, the value of our exports to that country in 1909-10 was \$56,439,181, an increase of more than \$11,000,000 over the preceding year and an excess of more than \$45,000,000 over the country having the next highest values of exports into Mexico. From the beginning of any movement toward intervention the United States would lose the total of that export trade into Mexico, and our principal competitors—Great Britain, Germany, France, and Spain—would divide the trade among them.

"But these trade figures, important as they are, are overwhelmed when we consider the total of our trade with the 21 American Republics between the Rio Grande and Cape Horn. In 1909 the United States bought from and sold to Latin America products valued at nearly \$600,000,000. How this splendid commerce has grown in the comparatively few years since we have gained the confidence of those people and since our merchants have exercised intelligent energy in securing a portion of that trade for themselves, is shown by these figures. A decade ago that total trade was of an annual value of \$236,000,000—that is, we increased in 10 years our annual trade with these Latin-American Republics \$364,000,000.

"Not to quote statistics tiresomely, let me give a few details in an analysis of this tremendous trade movement which has grown and is growing so rapidly, but which would be well-nigh destroyed if the Latin-American countries saw United States

troops invading the territory of one of their number. For the fiscal year ending June 30, 1911, our total Pan American commerce amounted to the amazing value of \$640,459,752. We imported from those countries products of the value of \$369,796,530 and exported \$270,663,222.

"It must be remembered that the total of our imports is made up very largely of products we do not produce ourselves and for which we necessarily depend upon those countries, and the Latin-American countries can buy from Great Britain and Europe nearly all the articles that they import from us. How rich these Pan American countries are, what their trade resources may become, even beyond their present extent, is suggested by the fact that their foreign commerce to-day amounts to \$30 per capita, while that of China and Japan together amounts to but \$3 per capita. But even those averages do not express the potential commercial possibilities of one of our Pan American customers. Argentina's per capita of foreign commerce, on a basis of 7,000,000 inhabitants, is an average of \$100, a rate not surpassed by any other large country.

THE PENSION COST.

"Turning from the trade cost of war with Mexico, it is worth while considering the pension-bill cost which would be incurred. Our war with Spain ended 14 years ago, but already we are paying nearly \$4,000,000 annually on account of 28,490 Spanish War pensions. What the growth of this payment will be is suggested by the fact that on June 30, 1911, there were 8,386 Spanish War claims pending and that in the 1911 fiscal year there were 3,033 new Spanish War claims filed. Within a few years our pension bill for the Spanish War will exceed \$10,000,000 annually, and will grow for the next 30 years.

"But no general commanding an army of invasion would give the order to cross the Rio Grande into Mexico without an army under him numbering ten times at least as many United States soldiers as ever set foot on Cuban or Philippine soil during our war with Spain.

"In Cuba our Army of invasion met a disorganized mob of underpaid and underfed Spaniards fighting not for their own country, but for a subject country; in Mexico our Army of invasion would meet well-armed troops fighting on their own soil for their own homes and vastly more numerous than those we had to overcome in Cuba or in the Philippines. There would be all the hideous horror of a long-drawn-out war, with thousands upon thousands of stricken American homes—homes of widows and fatherless children. For what? That some reckless and heartless politicians may gain a point in a political campaign.

"I frankly appeal to the citizens of Essex County, whom I represent in part in Congress, for support in the efforts which I shall make as a Member of Congress and a member of the Foreign Affairs Committee of the House, to help avert this dreadful blood cost and material waste. It would help me if I could hear from every minister, priest, and rabbi who shudders at the thought of thousands of mourning women and children; I should like to hear from manufacturers who look forward to the prosperity growing out of increasing foreign commerce; from every wage earner who loves peace and prosperity and its opportunities for uninterrupted employment."

THE NEW INDUSTRIAL DAY.

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to insert in the RECORD an address of the Hon. WILLIAM C. REDFIELD before the Adcraft Club, of Detroit, Mich., on March 28, 1912, on the New Industrial Day.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent that there may be inserted in the RECORD certain remarks of Representative REDFIELD. Is there objection?

Mr. MANN. Mr. Speaker, reserving the right to object, I think our friend from New York [Mr. REDFIELD] really ought to have a book printed to cover his speeches, because we have had so many of them inserted in the RECORD.

Mr. ASHBROOK. I would be perfectly willing. They are all excellent.

Mr. MANN. They are all very good, but they ought to be put in the form of a book.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The remarks referred to are as follows:

THE NEW INDUSTRIAL DAY.

ADDRESS OF THE HON. WILLIAM C. REDFIELD BEFORE THE ADCRAFT CLUB, OF DETROIT, MARCH 28, 1912.

"It is hard to realize here in Detroit, with your ample spaces and broad areas, that there are dark industrial places, that men and women, aye, and children, are confined in foul spots and driven through long hours and at pitiful pay for the means

not so much of living as of existence. When I was thinking of the theme on which it would be my privilege to speak to you, there came to me the recollection of the many neat small houses that are so marked a feature of your city, and of the great, airy, well-lighted shops that here prosper, and it seemed as if here, more than in almost any other place, the dawn of a new industrial day had come. So you and your city are responsible for my choice of a subject.

"It needs to be said at the very beginning that it is not my thought to advocate here any sudden or radical change in method or action. I believe in evolution, slow, steady, patient, progressive, not in revolution which turns things quickly upside down. This is a case, gentlemen, for the application of the Scripture phrase: 'Come, let us reason together.' More than anything else I dread in what should be a sober, serious weighing of facts and searching for truth, the entrance of impatience or of prejudice, those twin enemies of calm judgment.

"It would be pleasant to linger here in this bright room, with this good company, and talk together of themes of common interest; but our engagements lie elsewhere, and I shall have to ask you, at least in thought, to leave these pleasant surroundings and to enter in spirit one of our great factories and spend perhaps an hour there. Let us hope that during that time we shall be unlike those of old of whom it was said that they saw but did not perceive; for our purpose in going into the works will be to look closely into what may be seen there and to think as carefully as we can about what we shall see. Before we go, however, let me read you these few words:

"The old mills for all practical running purposes are as good as the new. There are certain wearing parts in a machine, which, if renewed from time to time, keep the machine as good as new. This will apply to all machinery. Where the mill has a good machine shop and where the standard of mechanical conditions is high, whenever a machine is not 'right' it will be stopped and made 'right.' If this is maintained, age is not serious."

"This is not taken from an inscription in old Egypt, nor even from the records of the Middle Ages. It is, for all its ancient flavor, an extract from page 1044 of the report of the Tariff Board on wool, and is a statement made in all innocence and ignorance to that board by a manufacturer who thinks he is running a modern enterprise. Beside it let us put the phrase current in the shop with which I was for many years familiar, original with one of our foremen—'Six months ago is ancient history.' Between the spirit which does not regard a well-preserved old age in machinery as serious and that which regards as ancient all that is a half year past lies a chasm in thought and the widest possible difference in management. It is perhaps not too much to say that these opposing ideals may fairly represent mechanical decrepitude on one side and efficiency on the other. One is not surprised to find that the same volume of the Tariff Board report shows a large percentage of the machinery in our worsted and woolen mills to have been in use over 25 years. What this means in your thought and mine will be clear to others when you and I say to one another that the great industries with which we are in one way or another connected have made their entire development since the time these machines were put in use in our woolen mills. I do not wish to be grossly inferential, but you will permit me to wonder whether the existence of a 90 per cent duty has not some trifling connection with the amazing suggestion that as regards machinery 'age is not serious.'

"But we have kept out of the shop too long. As we enter it we see that the building was designed for its use, and the primary essentials of space and light and air have been given thought. In the older day, which is closing, the workmen were furnished large drafts of carbon dioxide to consume with the other materials placed at their disposal, and there was not always appreciation of the fact that light had a relation to the human eye, but in our present factory these things are recognized. The building also has been so designed that the flow of work through it is continuous, for industrially we have learned the force of the old Roman maxim, 'Not a step backward.' The machines are grouped each according to its kind, like the animals in Noah's ark. There used to be a cheerful distribution of these things, as if a lathe were not comfortable unless a shaper and miller were side by side with it, or a planer were carefully married to a drill press. But we have divorced them now and we group 3 or 4 or 10 of a kind, each in its order for the proper routing of the work as it passes through the shop. We go even into the details of these groups and so relate the machines, one to another, at different angles that they may be properly fed without trespassing on space, and we put racks beneath them so that an abundance of material may be piled at hand to avoid time and steps when new stock is needed for the automatic machinery. All through the whole machine equip-

ment shows the evidence of study, how each unit shall not only be fitted to its task and be given the best conditions in which to perform that task, but each shall be so related to its fellow unit that the task of the fellow shall not be hindered but helped.

"And since these buildings and machines are meant for production and are all of them useless waste unless they produce, and are none of them sources of profit unless they produce efficiently, you look into certain other details that bear upon these factors. You have discovered, for example, that a belt running on the old tight-and-loose pulley is always under tension, and even when running on the loose pulley is wearing itself away and shortening its life, and you have taken up a form of countershaft, in which the loose pulley is slightly smaller than the tight pulley, so that the belt runs free of tension when not working, with a slight conical section on the loose pulley to bring it easily into place when its services are required. You and I have found that the mere matter of getting the power to our machines is worthy of our thought, and we find in the factory we are visiting some machines directly motor driven, others so driven in groups, others connected up in sections, each according to what study has shown to be normal to its best productivity. We find also that a 'tickler' of belts is kept for study, which has shown that belts at a certain age and in certain uses have a rather definite life, and that when they shall have become so old it is necessary to watch lest by some sudden breakage they stop a valuable machine. So each belt in the shop is no longer under general but under particular supervision, the time when it may be expected to show wear being known when the belt is put in service new. And our belt men work in the noon hour and after hours, for it is good form to watch the belts, so that repairs are made before wear goes too far. We find also that we have gone into what seems small details in other ways. The shop we are in does not make its vise benches of heavy hardwood plank, for these warp, and when they wear in spots it is needful to replace more sometimes than is worn. This shop has made its benches of heavy softwood plank and on top of them puts crosswise thin and narrow matched strips of hardwood, any two or three of which when worn can be replaced without disturbing others or interrupting work.

"It would be possible to continue our factory inspection into other details, but enough has been done for our purpose, and we will go for a moment into the tool and stock rooms. In the former not only is care taken that tools as they come back from use are sharpened or repaired so that there may be no question of their readiness for service when they are reissued, but to save what seems a small detail in records you indicate the number of tools or fittings that any one workman has by the shape of his brass check hung upon the hook. In the stock room is kept a running inventory on slips attached to every bin, so that the question as to how many there are of any item in the assorted stock never arises, and not only so, but there is provided an inward and an outward bin for each item of stock, and sometimes a third one maintained at a fixed quantity to save questions.

"From this atmosphere of precision and care we walk back to the shop office. The superintendent tells us that the material bought has been selected as the result of long evolution as to its chemical and metallurgical contents, its shape and size, and that frequent examination by physical and other tests is made to insure its being perfect in all these respects, while at the same time constant experimenting progresses to determine whether there is made or can be made something better suited to the duty, or something at a lower price as well suited thereto. And, as we sit down in his pleasant room, the superintendent goes on to say that he has reached the point on his automatic machinery where he secures 96 per cent operating time and that he is studying how to bring his lathes above the 80 per cent of efficient time, which is what they at the moment represent.

"I have dwelt, gentlemen, too long, and yet, as you know, very inadequately, upon certain details of certain phases of a modern shop in order to bring your minds and mine together on a single broad truth that underlies all that has been said. This is, that in your buildings or machines or various equipment and in your material the most exacting study has been used to fit each for the purpose for which it is intended. You have spent, or others have spent in your behalf, years of patient experimenting and sums that thousands will not represent to determine how best to adapt all these various elements to one another so that their relations shall be harmonious, productive, efficient, and economical. By economy you have not meant the absence of spending, for these machines and these methods have cost much through many years, but you regard it

as well spent. As between the man who offers you a machine as a cheap tool and another who asks a greater price, you think first of the question, "What will these tools do?" and it is the relation of their productiveness to their cost that guides your decision. Replace, let us suppose, in the shop we have just visited in our thought the present modern equipment with another of the same class, but selected chiefly because it is cheaper in its first cost, and you and I know the result would be disaster, for the lesson as regards machines has been well learned that productiveness is more important than first price.

"One more look into that shop before we change our theme. The material in the stock room, the carefully designed tools in the tool room, the machines carefully selected and installed with equal care—these are all dead things. Turn on the power and the light, and if that be all such action as results is more likely to be disastrous than effective. They will follow the laws of their mechanical nature and wreck themselves unless the conditions for useful work are provided. There are few places more dreary than a great shop with its dead equipment; like a steamer in midocean when the engines stop, there is a sense of the absence of life. Let us look along the lines of polished machinery and upon the piles of ready material and on the varied accessories and equipment and think for a moment of the next step.

"Is there to be an end at this point of the study and the patient care and watchfulness that has guided us so far? Is the process of selection and of economical investment based upon production to be changed just at this point? Having the best equipment bought and arranged with its cost as a secondary thing and its productiveness as the primary thing, shall we put at these machines men whose cost is the primary thing and whose productiveness we aim to extract by a process called 'shop discipline'? Having with great care fitted tool to mechanism, shall we or shall we not use equal care to fit the men to both? Having utilized the laws of light and of power and of mechanics to the full, intelligently and carefully, shall we or shall we not now utilize the laws of human nature to the full with the same intelligence and care? Shall we recognize that at the point where our thought is halting we are passing over from the inert to the responsive and that in addition to all the other laws and conditions under which we have so carefully worked hitherto there has come into play a new law now, the law of life and growth and thought?

"Here we touch the very core of our subject, and upon the way in which we deal with it shall it be known whether we are of the light or of the darkness; for our fine equipment, with its perfectly balanced relations may mean after all that we have learned but the smallest part of our subject, and that the full light of day has not yet dawned on us. I am not here to urge details of dealing with men any more than to urge details of the tools and materials we see, but I am here to urge that as the laws of nature are utilized by us all after keen inquiry into them in the mechanical and material side of our work, so the laws of human nature shall be given at least as keen study in the living and productive side of our work. For, since both the laws of mechanics and the laws of human nature are but a partial manifestation, in my thought, of the law of God, there can be no harmony and no basis for permanent peace and for the highest production until we have readjusted our factories so that they operate in accordance with the laws of human nature. Is a man doing the best he can for you and me when he runs his machine tool well? Perhaps, and perhaps not. In a large eastern shop early this month a young mechanic at a fine turret lathe was producing certain work at low cost while earning high pay. The element of labor cost was so small in his product that the cost department had to use a microscope to find it. This was good, but was it all the good there was to be had from the man? As we talked with him he spoke with a smile of having earned \$50 extra the week before because he had thought of something while his turret lathe was working, and had reflected upon it, and knowing that his employer was a man of broad and just spirit, he had, after working his thought out carefully as he stood by his machine, gone to his employer with his idea, and his employer had not only thanked him and given him demonstration of his good will by liberal wages, but had handed him \$50 besides. Thoughtful men need not be told that the particular type of narrowness and harshness which is concealed sometimes behind the words 'practical' and 'hard-headed' would have prevented the ideas ever being conveyed to the owner of a shop run on those lines.

"I recall one day being asked to look at a running machine and having the workman say to me, 'If this tool can be ad-

justed in such a way I can do twice as much.' Does anyone suppose that stern and narrow discipline would have brought that doubling of product? In this enlightened city it may perhaps be doubted whether and to what extent there exists such shortness of vision and narrowness of outlook as that of which I have spoken, but it was a matter of sworn testimony before me but a few weeks ago that in a large shop a mechanic whose record was good was kept at home three days by the death and funeral of his son. When at the end of that time he returned to his work he not only lost the three days' pay, but his absence was counted against his efficiency record and was sufficient to so alter that record for the ensuing six months as to cost him 25 cents a day for the following half year, and his explanation, though admittedly true, was not received because discipline had to be maintained. And it was true also in another case, where a man, because of scarlet fever in his home, was quarantined therein by the authorities, that when he returned to work at the end of a fortnight he also lost not only his wages for the time of absence, but was demoted on his efficiency record because of the absence so that he lost 25 cents daily for six months to follow, even though his explanation was admittedly correct. It seems strange that men who so carefully adjust themselves to one part of nature's laws in their plants should be so hopelessly ignorant of another part of those same laws when it comes to deal with men. Is there anyone that wonders that the two cases I have mentioned so rankled in the minds of the hundreds of workmen in that factory as ultimately to cause annoyance and expense to the management outweighing manifold the pitifully small question of wages involved?

"Let us look briefly at the situation in the textile mills at Lawrence and get at some facts concealed by the dust of conflict there. The mills had sometime ago accepted a reduction of their working time from 58 to 56 hours without change of pay, and a recent legislature reduced the hours for the women and children in those mills to 54 hours weekly. This required shutting down the mills two hours weekly, because they were so balanced that the men could not work in some departments unless the women worked in others. The difference in time was two fifty-sixths, a fraction less than 4 per cent, and the mills gave notice—observe not all mills upon whom this bore, but some of them; those in this one city—they gave notice, I say, that this exact amount must be deducted from the wages of their people. Those wages were already far below the average American wage. A rate of \$6.50 weekly would represent the average woman's earnings before the cut was made. A strike ensued, and by that strike has been lost manifold a year's difference in wage. Apart from this money loss there has come with it the ill will and distrust of thousands of operatives; and now, after the distrust has been gained and the loss has been incurred, the mills concede an advanced wage scale, about one-half larger than the cut which they made at first, so that by their own action they have shown that, despite the money loss from weeks of idleness, they can pay an advance, and that the former deduction was made, to say the least, in ignorance, for if made with knowledge it approached the criminal.

"I do not mean in the faintest way to approve the excesses of the strikers any more than I mean to approve the excesses, so far as they may have existed, on the part of the authorities. I simply mean to detach these excesses on either part and to consider the fundamentals of management and their results. The mills are now paying more wages than before the strike and paying them to a force resentful of injustice, for the most ignorant man knows that if the mill can advance his wages 5 per cent to-day, after the loss they have suffered, the original cut of less than 4 per cent was a shameful thing. I trust it will not be understood that these cases are mentioned as implying in the faintest way that in this enlightened community such things occur, but of late and with just cause there has been universal outcry against the excesses to which some men claiming to represent labor have gone, and there is a certain danger that injustice may be done as a result of this righteous wrath. Crime is horrible and always to be condemned and murder is not to be condoned, but there are crimes against human nature that are not within the scope of the statute law, and the revolt of human nature against them has as sound a basis as our proper outcry against the more overt criminal act. If greed kills through sweating and child labor, it is not less murderous, only less rapid and less merciful, than he who stabs to slay. With the men who enter our factories enters the greatest force in all production. I mean the responsiveness of those men to leadership. They work, indeed, because they must needs earn their bread, and it is useful that supervision should be closely exercised for manifest reasons; but neither the need

for bread nor the closest supervision will draw out the best that the workman has to give. That can only be done by the righteous adjustment of wage to product, by the absence alike of injustice and of charity, by the opening of the door of opportunity, by the absence of driving and the presence of leading, by the selection of the man for the task and the adjustment of the task to the man, by the instructions of the man in his task or, if unfitted for it, then in some other task for which he is more fitted, by the spirit of candor and frankness between the employer and man, by the willingness to hear and wait, by the closest possible touch practicable in great factories between the management and the working force. It has been said that corporations have no souls. This is a pity if true, for the men in the shops have souls, and the coming into the minds and hearts of the men who run the corporations of sufficient soul to give them a basis for appeal to and cooperation with the souls of men at the machine may make the difference between profit and loss to the corporation.

"Finally, my friends, I think many of us have stopped too soon on the path of scientific development of our industries. The man is infinitely well worth study and infinitely more difficult to study than the machine. Does it not come to you with something of a shock that we are all careful to have a machine heavy and strong enough for its work, but that we rarely think whether a laborer may have some heart trouble or some other physical weakness that makes him unfit for the heavy lifting we ask him to do? We all believe in clean shops, but do we think enough of the human element to be careful to avoid sweeping when the men are about because of the well-known fact that dust carries all manner of disease germs which men breathe? The working out of the machine has been a long evolution and the working out of the study of men may also be of long evolution. It can not be hastily done. It requires patience; so do the machines. Your machines are complex; how much more so the man with his human mind and heart. But if the patience is exercised there is in the man the responsive spirit the machine lacks, and that spirit, led and not driven, guided and not abused, is a power in industry of which the wisest of us do not yet dream. Without it we may be able, or we may not, to profit temporarily. With it the age of industrial conquest opens to us.

"There are keen men among you, I know, waiting to ask such questions as: 'What about the closed shop? Do you approve it?' That is not hard to answer. I do not approve the act of any man or men who would deny to another the right to work at any lawful occupation when, where, and for whatever wage he will. Still less do I approve the continuous making of profits where wages or working conditions exist that cramp the manhood or degrade the womanhood or stunt the childhood of our land. I recall no policy ever avowed by labor that is a worse offense than the sweat shop. To accept dividends or profits out of human conditions that prevent a decent living is quite as bad as, perhaps worse than, to demand a closed shop. Let me read here a little poem which I found accidentally to-day:

"THE REAL GUIDE."

"You may bring to your office and put in a frame
A motto as fine as its paint,
But if you're a crook when you're playing the game
That motto won't make you a saint;
You can stick up the placards all over the hall,
But here is the word I announce,
It isn't the motto that hangs on the wall,
But the motto you live that counts!

"If the motto says 'Smile' and you carry a frown,
'Do it now' and you linger and wait,
If the motto says 'Help' and you trample men down,
If the motto says 'Love' and you hate,
You won't get away with the mottoes you stall,
For Truth will come forth with a bounce;
It isn't the motto that hangs on the wall,
But the motto you live that counts!

"But it will be urged that the representatives of labor are sometimes unreasonable. I presume they are. I have heard labor leaders whom I trust say so. I have known labor leaders struggle hard and unselfishly to prevent their own followers from being unreasonable. But the answer to the charge is easy. Let him that is without sin among us cast the first stone. If we are always sure we are entirely just and wise, there may be less unreasonableness found on our path.

"What, then, does the new industrial day involve? Profits are no longer the supreme law. The regard for the legal rights of the citizen is expanding into a recognition of other rights, moral, physical, and personal. If we are not becoming our brother's helpers, we are ceasing to be our brother's destroyers. We are thinking more carefully how far man may rightly fatten on man. The public looks no longer with patience on reducing wages to maintain profits or dividends. Even to cheapen costs on a falling market it is no longer thought just

to pay workmen less for the same labor. More and better things are expected than a constant struggle between profits at the top and penury at the bottom in the same establishment.

"Will the business world recognize the new order and face it fairly and squarely and meet it halfway? If so, well for the business world. Will the business world simply stand pat? Then ill for the business world. Attorneys general come and go. Laws are made and changed and repealed. Both arise from the spirit that is abroad in the land. Both are nonessential details if the spirit is right. Will the business world go on as it has gone heretofore? Then the laws and attorneys general are needed. Will the business world accept the larger spirit of the new day? Then attorneys general and laws are harmless. No ill threatens any great industry whose spirit is, first, that of equity and liberality to its workers and to its consumers, and, second, to its own personal profit. But where profit is first and is to be had at any cost of human fatigue or poverty or evil conditions or at the cost of special privilege extracting high prices from the consuming public, then ill does threaten that industry. There are slow and sure paths to profit and quick and dangerous roads that seem also to point that way. We can mistake conservatism for conservation and end by all falling into the ditch.

"The new day means not compromise, but comprehension; not alone humanity or welfare work, though these are good, but a larger outlook, a spirit of earnest self-criticism looking inward and the spirit of 'lend a hand' looking outward. It means care for our profit's sake, aye, and for our manhood's sake, for the growth of the men by whose efforts we prosper. I say 'growth of the men,' not merely growth of the wage, for a living wage means more than food or clothes. Our industries must stimulate and not shackle the growth of all the elements that mean uplift and progress for our men. I have not appealed to your sympathy or to your sentiment. I ask that we both, in our use of human forces, study those forces as we study others—learn the facts and adapt ourselves to them. A great factory should be, in a sense, like a school, for all in it are learning—master and men alike—and no limit can be set to the attainments of him who hath a teachable spirit. Of old it was said to describe a city that was glad and secure that it should be full of little children playing in the streets thereof. Will our industrial growth be complete until we can say the city shall be full of happy people working in the mills thereof?

"Past your beautiful city flows a stream which, expanding into the lake beyond, reaches at last the great falls and there becomes not only a thing of beauty, but, in truth, of light and power. Can there not flow from your great industries here another stream which shall expand throughout our land until it shall become not only a thing of beauty in itself, but of light and power also; and, as the very name of your city was taken from the river flowing past it, may you not also become, in truth, the outlet for a flow of influence that shall be greater, finer, and more permanent in its results?"

TOBACCO STATISTICS.

The SPEAKER pro tempore laid before the House the bill (H. R. 13988) to authorize the Director of the Census to collect and publish additional statistics of tobacco, with Senate amendments thereto.

The Senate amendments were read.

Mr. SMALL. Mr. Speaker, I move to concur in the Senate amendments. They are satisfactory to the committee and also to the introducer of the bill.

The SPEAKER pro tempore. The question is on agreeing to the Senate amendments.

The question was taken, and the Senate amendments were agreed to.

PARCEL-POST AND POSTAL-EXPRESS SITUATION IN CONGRESS.

Mr. DICKINSON. Mr. Speaker, I ask unanimous consent to print in the RECORD a letter from Senator ORADIAH GARDNER to the people of the United States on the parcel-post and postal-express situation in Congress.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent to print a certain letter in the RECORD. Is there objection?

Mr. MANN. Mr. Speaker, I have not had an opportunity of examining the letter. Does it contain any criticism of Congress?

Mr. DICKINSON. No; nothing out of the way.

Mr. MANN. Mr. Speaker, I would like to know whether it contains any criticism of the House.

Mr. DICKINSON. No; it does not contain any criticism of the House. It refers to the fact that all Members in Congress are not fully advised in regard to the parcel post.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The letter referred to is as follows:

"To the people of the United States:

"Since my election to the United States Senate I have clearly seen that among my duties the very first was the subject of cheaper rates for the small packet or shipment, the agitation for which has mostly been conducted under the name of the 'parcel post.' I asked myself this question: 'What is the object of a "parcel post?"' The answer was, 'to obtain cheaper rates by postal carriage for the small shipment than the express companies exact; in short, to secure relief from exorbitant express charges.'

"There has always existed the feeling that express charges were too high. Investigation shows that they amount to \$31.20 for the average ton of parcels, while the freight charge for the average ton is \$1.90. The express charge, on the average, in this country is about sixteen times the freight. In other countries it is only about five times the freight charge, i. e., the average ton of freight is about 85 cents, and of express about \$4.25. All of which means that our express rates are from two to three times as high as they should be. If we are to obtain relief from the express company charge, then it must be by getting postal rates that are substantially lower than they give. The whole question of 'parcel post' is a question of lower rates. If the rates are not lower, then the 'parcel post' would be simply a paper scheme of no service to anybody. If the 'parcel post' rates were actually higher, such a 'parcel post' would be a cheat of the whole reform. At this point I call your attention to the rates themselves so you may judge for yourselves. The 'parcel post' bills before Congress fall into two divisions—first, the one to be reported by the Post Office Committee of the House, which (barring the rural delivery section) fixes the international flat rate at 12 cents a pound; second, the other bills fixing 8 cents a pound. These rates, in the table following, are compared with present express company rates for a distance of 196 miles, which is the average length of the journey of express packages, and presumably about the average journey which postal shipments would make:

Table comparing parcel-post rates with express-company rates and postal-express rates.

Rate.	Parcel post.		Express-company rate.	Postal-express feasible rate.
	12 cents per pound.	8 cents per pound.		
1 pound.....	\$0.12	\$0.08	\$0.10	\$0.07
2 pounds.....	.24	.16	1.16	.07
3 pounds.....	.36	.24	1.24	.08
4 pounds.....	.48	.32	1.32	.09
5 pounds.....	.60	.40	.40	.10
6 pounds.....	.72	.48	.45	.12
7 pounds.....	.84	.56	.45	.14
8 pounds.....	.96	.64	.45	.16
9 pounds.....	1.08	.72	.45	.18
10 pounds.....	1.20	.80	.45	.19
11 pounds.....	1.32	.88	.50	.20
Total.....	7.92	5.28	3.97	1.40

¹ If prepaid, the express companies now carry books at a rate of 8 cents a pound, and merchandise, or fourth-class mail matter, at 16 cents a pound.

"It appears that the 12-cent 'parcel-post' rate is about one-half higher than present express rates, for the average distance men ship, and the 8-cent rate about one-fourth greater. All these bills mean, at best, is that up to 2 pounds they give only as good a rate as the express companies and will deliver on rural routes. On weights above 2 pounds the bills fix much higher rates than the express companies. If during the year you wish to make shipments covering the whole gamut of 11 different weights, your total bill would be \$1.40 by postal express; \$3.97 by private express; \$5.28 by 8-cent 'parcel post'; and \$7.92 by 12-cent 'parcel post.'

"To be more simple, the express companies now charge an average of \$31.20 the ton of packages; the 8-cent 'parcel-post' rate would make this \$160 a ton; and the 12-cent rate \$240 a ton. And yet even the express charge is at least twice as high as it should be. There is only one duty for me to think of in such a case. It is to expose the fearful cheat of the people's hopes which the so-called 'parcel-post' bills now pending mean.

"I stop only long enough to say that even the rural-delivery features of these measures, proposing 5 cents for the first pound and 2 cents for each additional pound up to 11, are nearly worthless. They limit the mailability to fourth class; and there is scarcely a thing produced on the farm that falls within fourth class or that the farmer would be allowed to ship to his customer in town, such as butter, eggs, poultry, dressed; hams, sausage, etc. I feel it my duty to say in the most emphatic manner possible that these bills, if passed, will prove the great-

est hoax ever inflicted upon a people; not to say that the express companies will welcome such an accomplishment as merely a new lease of power to maintain their unrighteous charges.

A SYSTEM OF POSTAL EXPRESS.

"What is the remedy? I answer that my study and that of other Members of Congress, probably a majority of the House and close to if not a majority of the Senate, indicates the remedy to be the elimination of the parasitic express company. The Government should take them over, at a fair value, and reduce their rates by about half for all express shippers, and extend the service, through rural delivery, to the farmer and the country store. Economic studies of the subject show that even greater reductions might be made on the very light weights, as shown in the table; and we have the rural-delivery structure paid in advance and ready, waiting—empty one might say—to receive the farm products and convey them direct from the farmer to the consumer. And this is the great point to be achieved. Farm products for which the farmer received \$6,000,000,000 last year sold to the consumer at \$13,000,000,000, and this because there was no direct transportation from the farm to the kitchen. If we take over the express companies and couple their town-delivery system with the rural-delivery system, and both with the railways, when necessary, the consumer of foodstuffs could buy and ship direct from the farmer, the delivering postal van collecting the price and remitting it back to the farm. The high cost of living in the vital necessities might thus be really reached and remedied.

"Why buy out the express companies, you may say? Well, there are several reasons, serious and substantial ones, some of which only can be stated in so brief a space. They are:

"(a) In order to secure the express-railway contracts under which for distances of 200 miles and up the express-railway pay is a little less than one-half of the postal-railway pay.

"(b) By taking over the express plants we do not disturb business, or encounter the objections of the country merchant, but by reducing express rates to the desirable point he will share in the benefit, and will have the railway service brought to his door along with the farmer.

"(c) We need adequate transportation for the small shipment. The railways refuse to treat it under 100 pounds. The postal system is the only one that can eliminate the accounting which makes the express-package charge so large.

"(d) By a complete system and the postal van farmers can market their truck cheap direct to the consumer and share with him the difference between what the consumer pays and the farmer now receives.

"No system of 'parcel post' can accomplish these things in our country in a sufficient way. The rate of express-railway pay is vital to a reasonable rate. On a 3,000-mile journey the express company would be paying the railways less than 6 cents a pound, the 'parcel post' would have to pay a little over 10 cents a pound, and on long journeys of the shipment nearly the whole charge would be that payable to the railways. Again, since it is the evils of the express charge that the remedy is designed to meet, it ought to be broad enough to extend to all express shippers and give them the reduced rates to which they are equally entitled. The 'parcel-post' proposition and its flat rate seems to be designed, by the 11-pound limit, to be just big enough for the patron of the merchant to get to the mail-order house, and the flat rate to give the mail-order house, his distant rival, an unnatural equality. Nobody intended this, of course. But nobody has seriously intended anything in any of these 'parcel-post' schemes—I mean in the way of definite and specific rates and the remedy needed to secure relief from express charges. They are of as little practical service as the snow men we made as children.

"The trouble has been that people who 'had not the time' to think this matter out have gone on the assumption that a 'parcel post' was something definite, like a railway or steamboat service. But it is not. If the rates proposed are too high, such 'parcel post' is simply nothing; and to make it workable you will have to have a relatively low rate of railway pay. You would need, too, elastic rates adapted to moving the traffic and not killing it. Flat rates, such as proposed, would simply cheat the shipper on the short journey, and to some extent the Government on the long journey, for the benefit of the distant merchant and no one else, while killing more useful traffic than they would carry.

"In this connection I quote from an article written by Mr. George P. Hampton, secretary of the Farmers' National Committee on Postal Reform. Mr. Hampton says:

"The farmer, the consumer, and the local merchant have a common interest in the cheapest possible service for the short haul. They have little or no interest in the long haul. The retail trade between consumer and merchant, consumer and producer, or producer and local merchant, is essentially a short-distance proposition. The prosperity

of all these will be best served by making the lowest possible rates for the short haul.

"The magnitude of the robbery of the majority of the people for the benefit of the few, which is inevitable with a flat rate, will perhaps be more apparent to some—indifferent Members of Congress, for example—if the cost and charges are shown in tons. He would indeed be a small merchant or farmer whose total parcel shipments for a year, under a favorable rate, would not exceed a ton.

The robbery in the short haul.

	25 miles.	50 miles.	200 miles.	500 miles.	1,000 miles.
Average mail pay to the railroads per ton.	\$2.25	\$4.50	\$15.00	\$45.00	\$90.00
Collect and delivery and general expense.	24.00	24.00	24.00	24.00	24.00
Total cost.	26.25	28.50	42.00	69.00	114.00
Rate per ton of the 8-cent flat per pound rate.	160.00	160.00	160.00	160.00	160.00
Excess charges.	133.75	132.50	118.00	91.00	46.00

"Collect and delivery and general expense cost are computed at 6 cents per package for an average weight of 6 pounds.

The subsidy in the long haul.

	2,000 miles.	3,000 miles.	3,600 miles.
Average mail pay to the railroads per ton.	\$180.00	\$270.00	\$324.00
Collect and delivery and general expense.	24.00	24.00	24.00
Total cost.	204.00	294.00	348.00
Rate per ton of the 8-cent flat per pound rate.	160.00	160.00	160.00
Subsidy to long-distance shipper.	44.00	134.00	188.00

"Public welfare demands that the Government in establishing a general parcel post shall impose no burdens upon nor grant special privileges to any class. The people must not be taxed for the benefit of the few.

"The flat rate, by the excessive rate of 500 per cent above cost on the short haul and rates of 50 to 100 per cent below cost on the long haul, tends to force producer and consumer apart, whereas public welfare demands that they be brought as close together as possible.

"The volume of business is powerfully influenced by the rate. It must be low enough to move the traffic. To make the short-haul rate over five times the cost is to prevent the growth of the short-haul business.

"The evils of the flat rate to the short-distance shipper increase with the rate. The 8-cent rate is bad, but the 12-cent rate (\$240 per ton) would be infinitely worse.

"If the flat rate could be established without increasing the cost of any short haul beyond a fair, self-sustaining charge, its unfairness might be open to question; but a flat rate which, in order to make the service as a whole self-sustaining must be based on a mean-distance charge, of necessity must make the charge on the short haul excessive and give the long haul a rate away below cost. It is undemocratic, violates every principle of square dealing, and is against public welfare.

"The bill I have introduced in the Senate for postal express and the elimination of the express companies is similar to the Lewis and Goeke bills which have been introduced in the House. This movement is not an individual one, but represents the collaborative efforts of the Members of Congress who wish to secure a real remedy for express conditions, really low rates as shown in the table, and transportation advantages for the small shipment which all elements of the people can share. These are the Members of Congress who are working actively and militantly for the cause. The others are mostly standing shivering between the demands of the friends of 'parcel post' and the threats of the local merchants; and for the most part have not examined the subject enough to know that the 'parcel post' rates are much higher than the express rates they are intended to reduce.

"The principles in these bills have been indorsed by the leading farm organizations of the country, a large majority of the labor organizations, by consumers, and by merchants and manufacturers who have opposed and will continue to oppose, and that strenuously, the establishment or extension of a flat-rate parcel post. These facts are easily ascertainable by every Senator and Congressman. Congressional documents giving comprehensive detailed explanation of every question involved are at their command, and among their colleagues are some of the best posted men in the country on such matters.

"Postal express can be demonstrated to be in the interest of all the people, the farmer, the consumer, and the retail merchant, for whom those opposed to any such systems have shown such solicitude. Let me inquire of the retail merchant if he does not think that it will be of advantage to him to cut in half the present extortionate rates of the express companies? Let me ask him if it would not be to his advantage to enlarge our rural delivery mail service so that he could send out his goods to the purchaser under what would be a mail-order service, reducing much of the expenses under which he is now burdened? A flat-rate service would give him no relief, but puts him at the mercy of the mail-order house, and I am opposed to

any such system, but a postal-express service, with the cost of transportation determined by the weight and distance as to article and shipment, would simply require him to pay for the privilege he enjoyed and everybody else according to the privilege they enjoyed.

"The express companies are not, in the true meaning of the word, transportation companies, as they have no lines of transportation, no franchise rights, and only are enabled to do business by reason of transportation lines already established, which could do the business as well as they. Further, they did not invest any money in the business at the start except a carpetbag and a man to carry it from Watertown to Boston. The business as it developed bought all their equipment, and the excess profits, amounting at present to \$160,000,000, are invested in other securities that draw separate dividends independent of the express business. Their rates are based on about \$200,000,000 capitalization, which accounts for high rates. All we want is their physical properties and contracts with railroads, amounting to about \$39,000,000. This would be paid for in one year at the present rates and give a complete service all over the country. They originated to fill a deficiency in our transportation system and are parasitic in their nature.

"Under these conditions, for Congress to fritter away time on flat-rate proposals and refuse to give consideration to a scientific solution of one of the most crying evils of the day is simply to raise the question of their fitness for office.

"The farmer and the consumer suffer because of the lack of an adequate express delivery service. Only the Government can supply such a service. Produce goes to waste on the farm for lack of a market and the poor of the near-by cities starve for the lack of the produce. Congress has it in its power to remedy this.

"If the people do not wish to have served to them by this Congress the most unsatisfactory piece of legislation in the history of legislation they had better notify their Representatives and Senators at once.

"If you want a real 'parcel post' tell them you want the express companies eliminated and the postal system substituted in their place. Act at once, for if you miss now it may be a generation before Congress can be brought to the subject again.

"Very respectfully,

"OBADIAH GARDNER."

TO REENACT EXISTING LAWS AGAINST BRIBERY, ETC.

Mr. CLAYTON. Mr. Speaker, I was unavoidably detained from the House on April 9, 1912, and I therefore ask to have printed in the RECORD a statement respecting the bill H. R. 8158, introduced by the gentleman from Texas [Mr. RANDELL], which seeks unnecessarily to reenact existing law on bribery, and so forth, and which I have heretofore analyzed. I have been in Alabama presiding over a Democratic State convention [applause on the Democratic side] and was elected a delegate to the Baltimore convention of the Democratic Party. [Applause on the Democratic side.] That is the reason why I was not able to make this statement at an earlier day. I was attending to that business and returned from Alabama a few days ago.

Mr. MADDEN. I congratulate the State of Alabama on her good judgment.

The SPEAKER pro tempore. The gentleman from Alabama asks unanimous consent that the matter indicated may be printed in the RECORD. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

Mr. CLAYTON. Mr. Speaker, on April 6 I stated to the House the views of the Committee on the Judiciary in regard to the bill introduced by the gentleman from Texas [Mr. RANDELL]. At a regular meeting of the Committee on the Judiciary, held on Tuesday, April 9, 1912, the bill H. R. 8158 was under further consideration by the committee. By a vote the committee decided not to favorably report the bill. No vote was cast in behalf of a favorable report of the bill. At this same meeting of the committee, on April 9, the committee, by express vote, on motion, approved as the views of the committee the statement made by the chairman in regard to this bill (H. R. 8158) in the House of Representatives on April 6, 1912. The vote of the committee was unanimous. The following gentlemen are the members of the Committee on the Judiciary:

HENRY D. CLAYTON, Alabama, chairman; ROBERT L. HENRY, Texas; EDWIN Y. WEBB, North Carolina; CHARLES C. CARLIN, Virginia; WILLIAM W. RUCKER, Missouri; WILLIAM C. HOUSTON, Tennessee; JOHN C. FLOYD, Arkansas; ROBERT Y. THOMAS, Jr., Kentucky; JAMES M. GRAHAM, Illinois; H. GARLAND DUPRE, Louisiana; MARTIN W. LITTLETON, New York; WALTER I. MCCOY, New Jersey; JOHN W. DAVIS, West Virginia; DANIEL J. MCGILLICUDDY, Maine; JOHN A. STERLING, Illinois; REUBEN O. MOON, Pennsylvania; EDWIN W. HIGGINS, Connecticut; PAUL

HOWLAND, Ohio; FRANK M. NYE, Minnesota; GEORGE W. NORRIS, Nebraska; FRANCIS H. DODDS, Michigan.

EXTENSION OF REMARKS.

Mr. MOON of Tennessee. Mr. Speaker, if there is anybody else in the House who desires to ask unanimous consent or anything—

Mr. MANN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois? [After a pause.] The Chair hears none.

RESIGNATION FROM A COMMITTEE.

The SPEAKER pro tempore laid before the House the following letter:

APRIL 25, 1912.

Hon. CHAMP CLARK,

Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: I herewith tender my resignation as a member of the Committee on Expenditures in the Department of Agriculture of the House of Representatives.

Yours, respectfully,

BURTON L. FRENCH.

The SPEAKER pro tempore. Without objection, the gentleman will be excused from serving on the committee. [After a pause.] The Chair hears none.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 101. Joint resolution to appoint Andrew D. White a member of the Board of Regents of the Smithsonian Institution.

The message also announced that the Senate had passed with amendments bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 8768. An act to regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real-estate brokers in the District of Columbia.

The message also announced that the Senate had passed without amendment bill of the following title:

H. R. 22580. An act to authorize the change of the names of the steamers *Syracuse* and *Boston*.

The message also announced that the Senate had passed the following resolution:

Senate resolution 292.

Resolved, That the Secretary notify the House of Representatives that the Senate has elected JACOB H. GALLINGER, a Senator from the State of New Hampshire, President of the Senate pro tempore, to hold and exercise the office in the absence of the Vice President on Friday and Saturday, April 26 and 27, 1912.

SENATE JOINT RESOLUTION, AND HOUSE BILL WITH SENATE AMENDMENTS, REFERRED.

Under clause 2 of Rule XXIV, Senate joint resolution and House bill of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. J. Res. 101. Joint resolution to appoint Andrew D. White a member of the Board of Regents of the Smithsonian Institution; to the Committee on the Library.

H. R. 8768. An act to regulate the business of loaning money on security of any kind by persons, firms, and corporations, other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real-estate brokers, in the District of Columbia, with Senate amendments; to the Committee on the District of Columbia.

ENROLLED BILLS SIGNED.

Mr. CRAVENS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 19212. An act making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1913;

H. R. 20491. An act authorizing the Secretary of the Interior to grant further extension of time within which to make proof on desert-land entries;

H. R. 21960. An act to authorize the Port Arthur Pleasure Pier Co. to construct a bridge across the Sabine-Neches Canal, in front of the town of Port Arthur;

H. R. 18792. An act for the relief of homestead entrymen under the reclamation projects in the United States;

H. R. 20286. An act authorizing the fiscal court of Pike County, Ky., to construct a bridge across Russel Fork of Big Sandy River;

H. R. 12623. An act to incorporate the American Numismatic Association;

H. R. 8784. An act to supplement the act of June 22, 1910, entitled "An act to provide for agricultural entries";

H. R. 1647. An act to amend an act entitled "An act to increase the limit of cost of certain public buildings, to authorize the purchase of sites for public buildings, to authorize the erection and completion of public buildings," and for other purposes; and

H. R. 12211. An act to amend the act of February 18, 1909 (25 Stat. L., p. 626), entitled "An act to create the Calaveras Big Tree National Forest, and for other purposes."

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. CRAVENS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 18356. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war;

H. R. 18792. An act for the relief of homestead entrymen under the reclamation projects in the United States;

H. R. 20286. An act authorizing the fiscal court of Pike County, Ky., to construct a bridge across Russel Fork of Big Sandy River;

H. R. 21960. An act to authorize the Port Arthur Pleasure Pier Co. to construct a bridge across the Sabine-Neches Canal in front of the town of Port Arthur;

H. R. 20491. An act authorizing the Secretary of the Interior to grant further extension of time within which to make proof on desert-land entries;

H. R. 8784. An act to supplement the act of June 22, 1910, entitled "An act to provide for agricultural entries on coal lands";

H. R. 1647. An act to amend an act entitled "An act to increase the limit of cost of certain public buildings, to authorize the purchase of sites of public buildings, to authorize the erection and completion of public buildings, and for other purposes";

H. R. 12211. An act to amend the act of February 18, 1909 (35 Stats. L., 626), entitled "An act to create the Calaveras Big Tree National Forest, and for other purposes";

H. R. 21170. An act granting to the El Paso & Southwestern Railroad Co., a corporation organized and existing under the laws of the Territory and State of Arizona a right of way through the Fort Huachuca Military Reservation, in the State of Arizona, and authorizing said corporation and successors or assigns to construct and operate a railway through said Fort Huachuca Military Reservation, and for other purposes; and

H. R. 22642. An act providing for the protection of the United States in lands and waters comprising any part of the Potomac River, the Anacostia River or Eastern Branch, and Rock Creek lands adjacent thereto.

POST OFFICE APPROPRIATION BILL.

Mr. MOON of Tennessee. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the Post Office appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 21279, the Post Office appropriation bill, with Mr. HAY in the chair.

Mr. MANN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MANN. How much more time is there remaining on the two sides for general debate?

The CHAIRMAN. The Chair will ascertain. There are 10 hours and 10 minutes remaining.

Mr. GARDNER of New Jersey. Mr. Chairman, I yield 30 minutes, or so much as he may occupy, to the gentleman from Pennsylvania [Mr. SPEER].

Mr. MANN. Before the gentleman yields, can we get any idea of what the intention of the committee is in reference to an evening session? Does the committee desire to have an evening session?

Mr. MOON of Tennessee. I do not know whether we will or not.

Mr. MANN. I thought possibly the gentleman would know. I am perfectly willing—

Mr. MOON of Tennessee. Does the gentleman desire an evening session?

Mr. MANN. Oh, I do not desire any session.

Mr. MOON of Tennessee. Well, the gentleman will get his desire, then.

Mr. SPEER. Mr. Chairman, the phase of this bill which I expect to discuss is the parcel-post question. There has already been so much discussion on this question that I presume I will not be able to say anything new upon the subject. I have not cared so far to take up the time of the House in a discussion of those questions which were more particularly party questions, because in nearly every case Members had already made up their minds how they were going to vote; but this is a question that to a certain extent seems to be open, and therefore I feel like giving the Members the benefit of my views. If it does not aid you in coming to any conclusion, it will perhaps serve to strengthen me in my own views upon the subject. I am in favor of a general parcel-post system, because I believe it will be beneficial not only to the people generally but especially to our country districts and those living upon rural routes. It would seem to me sufficiently clear that if by any legislation we can make life in the country more attractive and more desirable, we ought to be willing to adopt that legislation, not only because the country people are entitled to it, but because it is a sound economic policy. The one thing which our last census has shown is the great drift of the population to the cities and the desertion of the country, and that fact in itself is enough largely to account for the higher cost of living. The consumers have been greatly increasing and the producers have been diminishing. Now, then, why is it that people prefer to live in the crowded cities, to work in the shops amidst the dirt and noise that is there and under very undesirable circumstances, rather than to go out into the fresh air of the country where life is, or ought to be, as one would judge, more pleasant? It is simply because the attractions of city life, the social advantages which you get there, are desired by the men and by their families, and that is the principal reason why they wish to live there. Those of you who, like myself, were brought up in the country—and there are perhaps a few here who were brought up on sure-enough country farms—and took a part in the country life know that one of the greatest disadvantages of the country life, as it was when we were boys, and one reason why you could not keep the boys and girls on the farm, was on account of the dreadful loneliness of the country life and the feeling that you were separated from the thought and action of the great world. You would only get your mail once a week, perhaps, when you went 4 or 5 miles to the post office. You were utterly out of communication with world events and most of the time out of communication with your neighbors.

Now, these conditions have been greatly changed. The farmers themselves have largely brought it about. They have done much in the way of making the conditions in the country districts better. They get together in a social way. They have their harvest homes and their picnic gatherings; they have their lodges and their granges and their social organizations. They have better schools and better churches. They have built for themselves better roads, and they have better carriages and means of transportation by which they can get about and see one another. All this has made a wonderful change in the ability to endure country life, and of those influences which have brought it about it seems to me that no one has had more effect than our rural mail service, which brings daily to the home of the farmer the daily papers, with the news of what is happening in this great world of which he is a part. The happenings all over the world are known almost immediately out upon these rural lines. The pulse throb of the thought of the world is felt not only in the crowded cities each day, but out at the very extreme of the free rural-delivery lines in this country. That is a great thing, and it is making country life more desirable every day.

But there is a very strange anomaly in our rural service. While the rural carrier comes to the farmer's door with the daily mail, and while the farmer may want some little article of merchandise brought to him, which he may need, yet that rural carrier is not permitted to bring it. He goes on with his wagon empty. The farmers themselves have built, as we all know, what we call farmers' telephone lines, so that they are now not only in communication with each other in that quick way, but also with the towns and with the stores at which they deal. They can phone to their store for anything they may need; but how is it to be brought to them? The country storekeeper and the storekeepers in the small towns can not afford to send those articles out. The farmer, if he needs the article, will have to quit his work and spend half a day in going for it. If he needs a plowpoint, if he finds that somebody is coming to visit him to-morrow and he wants a few pounds of tea, there is no way that it can be brought to him, and yet this rural carrier is going to pass the door and could easily bring whatever

article is needed and deposit it there, if permitted to do so by our laws.

When this rural service was begun the carrier was permitted to bring these little articles, but it is not permitted now. That is a part of the rural service which would be beneficial to the country people, and in a like way a similar service to that would be beneficial, I believe, over the entire country. Why is it we can not have it?

It is a strange thing that we should boast that we are the most civilized, the most advanced of all nations, and that we have the freest Government of any in the world, and yet have not this parcel-post system, while every other civilized nation in the world has it, and many of those that can not claim to be more than half civilized. They have it even in China, and it is successful there. Why is it we can not have it here? The people are demanding it, the Post Office Department is in favor of it, and have been advocating it for years, and yet it is impossible to get this legislation through.

There is no question as to the opposition of the express companies. Some gentlemen have endeavored upon the floor of the House to make us believe that this legislation was in favor of the express companies, but such a proposition is absurd. There is other opposition, however, and this, I presume, nearly every Member of Congress has felt. A great many of the rural merchants—at least a great many in my district, and I have no doubt a great many in the districts of other Members—have sent in petitions to Congress saying that the parcel-post system would injure their business. Now, that is a matter for serious consideration. I would not willingly vote for anything that would injure our local merchants, materially injure their business, or put them out of business. I do not believe anyone would wish to do so, because those communities need those merchants. There should not be any jealousy between the local people and their merchants. A town can not exist without merchants and the merchants can not exist without the town, and they should work in harmony. I have no sympathy whatever with the person who is not willing to buy his goods at home. I believe that everyone should buy the provisions which he needs, so far as possible, in his home town. I believe he should buy there, so far as possible, everything he wants to use; that he should buy his clothing there. Nowadays, with the wonderful development which has come to all parts of our country, you can get just as good things in your home town, and cheaper, and get clothes made in as good style, as at any other place. You do not need to go to the large cities to have this done.

But will it have that effect? Will it hurt the local merchants? I am firmly of the opinion that it will not do so. I think this rural service, especially, will be of great benefit to the local merchants. I think it will help them to hold the trade of their communities, because their patrons who deal with them can call them up on the phone and have articles sent out, and in that way, by being able to convenience their customers, it will enable them to hold their trade. And, more than that, by having the general parcel-post system they can easily supply what their patrons need. They can send and get it for you, and in that way they can hold your trade and prevent your going to the larger towns to do your business.

Now, this is not entirely theory. It is something that has been demonstrated, as I understand, in practice where the parcel post has been in use. And, as corroborating that, I wish to read just briefly from the reports of the investigations compiled by Senator BOURNE and published by the Government. Here is the report of the consul general of Belgium, on page 51, where they have a very successful parcel-post system, as follows:

The parcel post has proven very successful in Belgium, not only with the public but the Government has realized large profits in this department; but there are no statistics published to show details.

One proof of its success is in the fact that the Government is now studying the project to extend the parcel-post system to include packages up to 100 kilos (220 pounds) or even more in weight.

It is interesting to note what effect this service has on the business of the small merchants in the country villages, whether they suffer a material loss as a consequence of the larger merchants in the cities supplying their customers, and it appears they have not suffered a loss in their business, for they are the very ones who make the most use of the parcel-post service. If they do not have an article asked for, they at once order it for their customer and have it sent by parcel post.

In general the people of the country and the small towns, except the rich, do not use the parcel post much in ordering things from the city, but buy at home, as they did before this system was started.

The richer class and the summer people who pass several weeks each year at the numerous seashore and mountain resorts of Belgium use the parcel post a great deal, but even before the advent of this service they always went to the city to do their most important shopping.

Now, also, in France, where they have a very successful parcel-post system, I read from consular report:

The administration has not yet received any complaint from shopkeepers in small towns concerning the advantages which large depart-

ment or city stores would reap from the parcel-post system and the patronage it would cost them. It seems that they themselves find great facilities in this service for the needs of their trade.

The same is true in a number of other countries, which I can not now take time to read. A great deal of this has already been read into the RECORD by other Members in their speeches.

Now, then, these reports would seem to be entirely in accordance with my views. The theory that this mail-order business will be developed by the parcel-post system does not seem to be in accord with the facts in other countries. It is true that in some countries it appears that the mail-order business is developed; but it would not appear to have developed on account of the establishment of the parcel post, but is in spite of it, and would probably be in existence if there was no parcel post. We have no parcel post in this country, and yet that mail-order business has developed. It is here now. It can not be blamed on the parcel post, because it has developed without the parcel post. It has been built up by use of the railroads and of the express companies. In all probability it will continue to use those same methods of transportation.

Usually this mail-order business is done by getting a number of orders together and sending the goods by freight in large enough quantities to get the cheap freight rates, or in large enough packages by express to get the advantage of cheap rates on the heavier packages. I do not believe that the mail-order business will make very much use of the parcel-post system, for the reason that by using the express they can collect on delivery, which they will not be able to do by the use of the parcel-post system.

Now, then, it is true that a provision for a general parcel post for large packages with a flat rate over the entire country might be to the advantage of these large stores, and I want to come now to a discussion of the particular features of this bill. The bill contains as one of its features a flat-rate system of 12 cents a pound all over the country. I am opposed to that provision for two reasons: First, it charges only by the pound—12 cents for 1 pound, 24 cents for 2 pounds, with nothing for the intermediate ounces. That is not fair; and, besides, it is not fair that the same price should be charged for transportation on a heavy package 3,000 or 4,000 miles as would be charged for its transportation a few hundred miles, and by allowing that sort of a provision it is possible that you will give an advantage to the mail-order houses. That sort of a provision is not only unfair to the Government, but unfair to the localities. When you have a certain product in a certain locality near a market you are entitled to the fair advantage which your location gives you in your home market, and no one should be allowed to bring goods in from a place 3,000 or 4,000 miles away as cheaply as you can ship them 10 miles, and in that way get an advantage over you at the expense of the Government. We would not permit the railroads to ship goods in that way; we would not permit them to ship goods from New York to San Francisco at the same price at which they ship them from New York to Philadelphia. We would not permit the express companies to ship goods in that way. They are compelled to regulate their prices to a certain extent by the distance of the haul. In small packages of light weight it is perhaps immaterial, but when you get packages of any material weight, where the weight has something to do with the expense of carrying them, then the provision of a flat rate all over the country is unfair to the Government and unfair to the local merchants in the small towns, and would, I believe, help to develop this mail-order business.

Mr. SAMUEL W. SMITH. Is the gentleman in favor of limiting the weight of the package to 11 pounds?

Mr. SPEER. I think so at present. Not that there is any particular merit in the 11 pounds, but that is the international weight, and I believe that our postal department now, with its present equipment, is ready to begin to do business at that weight; while if you try something different, of a much greater weight, they would not be prepared to do it, and we would have years of delay. I am opposed to delay. I am opposed to having a commission. We do not need it. There has been sufficient investigation of this. It is no new thing. It has been in use in other countries, and our Post Office Department has investigated it. They say they are willing to begin it, and have the equipment to begin it. Why should they not be allowed to begin it at once? This matter of having a commission and having it delayed is simply the last effort of those who are opposed to it to prevent its adoption.

Mr. MARTIN of South Dakota. Is the gentleman in favor of the distance rate instead of the flat rate?

Mr. SPEER. Yes; I am inclined to favor the bill of the gentleman from Minnesota [Mr. ANDERSON]. If I have an opportunity I will vote for that bill, as I believe it is the best one. If I can not get that opportunity, I am willing to take

anything we can get, because I believe the worst bill we can get is better than none at all, and even if it is not satisfactory it will eventually be modified. Instead of putting on too many restrictions and fixing too many rates, I believe it would be better for us to leave this matter more fully with the Post Office Department. I would be willing to let this flat rate of 12 cents stand, but with a provision that the department could arrange for zones in which goods could be transported at a less rate, to be fixed by the department, and changed from time to time as the department find the exigencies of the occasion require.

I want to say that the merchants of this country are not going to be deceived about this matter. I had a letter from a druggist at home. I thought I had it here, but I have not.

I should have liked to read it word for word as he sent it. He had signed a petition against the parcel post, but he has examined the bill, and he writes me saying that the provision as to the rural parcel post is all right; that it will be for the benefit of the local merchants, and that is what I contend. He says the other provision of a flat rate of 12 cents all over the country will be to the disadvantage of the merchants, and that is what I contend, and I say that if you will make a proper zone system and then have this rural service also, you will have something that will protect the local merchant and help develop the business of every community and build it up.

I want to say this, and I wish I had time to go into a discussion of it, I believe the great advance we have had lately in the way of controlling railroads and preventing their giving rebates, which are now acknowledged to be a thing of the past, and in preventing them from giving favored rates to certain localities, is going to break up this concentration of our business in large centers, and will cause it to be more generally distributed over the country.

I believe the provision of the bill as to rural routes is defective in this, that while it gives the right to mail a package at the central office to go out on the rural route, it does not give the man out on a rural route the proper advantage in this respect. All he can do is to mail the package to some one on his own route. Here is a central station with four or five rural routes going out from it. I say any man living on one of those rural routes ought to have the right to mail a package at these reduced rates to go in and go out so long as it does not have to be carried by rail. A man living on one route ought to have the privilege of sending a package to anyone living on another route which runs out from the same post office. The department have not asked for this emasculated service. They have asked for a complete rural service.

Mr. MARTIN of Colorado. There is another suggestion, and that is that even on the rural route it will be confined to fourth-class matter.

I am advised that there are only two classes of fourth-class mail matter which can be sent by the farmer, one is queen bees and the other dried fruit.

Mr. SPEER. I do not know about that. I do not understand it so.

Mr. MARTIN of Colorado. So that it might be of advantage to the merchant, but no reciprocal advantage to the farmer.

Mr. SPEER. I understand by this that you can mail anything that is mailable. Now, in the report of the Postmaster General for 1910, to show you that the department does not want this kind of a limited service, I want to read what is said there. What benefit would this limited service be? You do not want to send anything to a man on your own rural route. You want to send it into town to be distributed on some other route. Here is what the Postmaster General recommends. He first advocates a general parcel post and then says:

As the preliminary step in the development of such a service it is hoped that Congress will authorize the delivery on rural routes of parcels weighing as much as 11 pounds, which is the weight limit for the international parcel post. This form of service can be conducted with little if any additional expense to the Government. It will not require the appointment of more carriers, for those already employed have the necessary equipment in the way of horses and wagons to distribute the parcel as well as the ordinary mail, which is rarely of sufficient volume to take up more than a small portion of the mail space in the carrier's wagon.

That is the sort of rural parcel-post system to have, and that is what we are not getting in this bill. It is simply a farce and a makeshift that you are going to give by the provisions of this bill. It ought to be amended so that a man out on the country road can send his parcel to the central office to have it distributed to anyone who receives the mail from the central office.

Mr. SAMUEL W. SMITH. Will the gentleman yield?

Mr. SPEER. Yes.

Mr. SAMUEL W. SMITH. Will the farmer be satisfied with anything except with a general parcel post?

Mr. SPEER. Well, I do not know about that, but we will have to take what we can get, and surely this part of it ought to be made right. I want a general parcel post also in addition to this cheaper rural service.

Mr. JOHNSON of South Carolina. Will the gentleman yield?

Mr. SPEER. Yes.

Mr. JOHNSON of South Carolina. What does the gentleman think about the rate at which these packages should go out on the rural route?

Mr. SPEER. Well, there is a very good bill which was introduced by the gentleman from Wyoming last May for a parcel-post system on rural routes, one in which he made the low rate of 5 cents and the extreme rate on 11 pounds 25 cents. I would be glad to put that bill in here instead of the provisions as to rural service in this bill, but I say that the question of price is a matter that ought to be subject to future regulation, and that you ought to leave that as far as you can to the department, which would be much better than to hamper them too much by restrictions. I would be in favor of giving the department more power and not hamper it with too many regulations in the bill.

Mr. BOWMAN. Will the gentleman yield?

Mr. SPEER. I will, but you are taking up my time which has almost expired.

Mr. BOWMAN. Would it not be always with the idea that the rate should be limited to not exceeding the cost?

Mr. SPEER. Yes; but that is a matter you can not tell positively about until you have the experience. Prices fixed now would necessarily be subject to future revision.

Now, then, my time is nearly gone. As to this question of condemning the express companies, I do not favor that. I see no reason why we can not have a parcel-post system of our own. The big profit is made out of handling the little packages, and that is why the express companies are fighting it. Suppose you condemn them, what do you get? Take their contracts, and what do we want the contracts for? Can not this Government make as good contracts with the railroad companies as can the express companies? If we can not we had better have a new form of government. All you will get if you condemn them is the old antiquated wagons and horses about ready to die. You will take a lot of old stuff that is out of date and worn out, that will soon be set aside, for they are now in many places using automobile trucks instead of wagons. We ought to run our parcel-post system and let the express companies run theirs, and I believe the operation of the two together will be beneficial. This is done in many countries. It is done in France and in a number of other countries where express companies operate, and the Government does not put them out of business but allows them to operate, and the competition between the express companies and the Government is, in my opinion, beneficial and helps to lessen rates.

Now, I think that the mail-order houses as a rule do not use the Government parcel post in these cases but use the express companies for the reason that they can send their goods C. O. D. by express. I believe that would be the result in this country—that these mail-order houses would not use the parcel-post system to any great extent. It would not be exactly what they want.

Why should we obligate this Government in millions and millions of dollars to condemn these express companies? It is shown that they do operate in other countries where the countries have a parcel-post system of their own and that it is not necessary to take over the express companies. We have a perfect right to establish this system without the permission of the express companies, and therefore I can see no necessity for taking them over at all. It would be much to the benefit of the express companies for us to take over their old stuff. It is said that the Government will not be able to do any business; that the express companies will do it more cheaply. Well, if the express companies can do the business more cheaply, let them do it. If that is the fact, will it not be an incentive to our Post Office Department to economize and try to conduct its affairs so that it can show that the Government can run a business of this kind as well as express companies?

Mr. CULLOP. Mr. Chairman, will the gentleman yield?

Mr. SPEER. Certainly.

Mr. CULLOP. I did not hear the gentleman as to which one of these propositions he favored.

Mr. SPEER. I shall favor the Anderson bill, because I think there should be a zone system established for general parcel post.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARDNER of New Jersey. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. CANNON].

Mr. CANNON. Mr. Chairman, I have paid some attention to the various bills that have been introduced for the improvement of highways in States at the expense of the National Treasury. It is a very interesting subject. As long ago as I can recollect, being the son of a father who was a Whig and a devoted follower of the gallant Harry of the West, I remember hearing them, Whigs and Democrats, when gathered around the old fireplace talk about national roads, the Whig standing for national roads and internal improvements and the Democratic politicians denouncing Clay as a fraud and opposing internal improvements and the national roads. They even put the controversy into songs on each side.

When quite a boy my father lived adjacent to the national road that lead from Cumberland, Md., to St. Louis, through Indianapolis, Terre Haute, Marshall, and Greenup. Among my earliest recollections is the stage coach, with the four horses, the driver, and the winding of the horn to announce the arrival of the mail on that old national trail. The recollections of the boy, with the world before him, are to me, as I have no doubt they are to most old men, very pleasant. That road was never completed to St. Louis. It never was entirely completed in Indiana, except as far as Richmond, though, if I recollect right, some bridges were built and sections of the road completed as far as Marshall and Greenup, Ill. Before it was completed evil days came, and the question arose as to the maintenance of the national road. Congress refused to maintain the road, and the respective States would not maintain it. So before a great while it fell into innocuous desuetude, so far as the United States was concerned, and was granted to the respective States.

The United States parted with all title to that improvement and it is now vested in the respective States. It is a dear old road to me, and if I had the power I would construct that road from Cumberland, Md., to St. Louis, as it was originally located and in part constructed. I would make that much of a contribution to ancient recollection and to present utility. I would make the road a great pattern for all roads and highway bridges for all of the people to copy in constructing the over 2,000,000 miles of highways in the United States, and this I will by voice and vote contribute to doing.

Some 29 Members of the House have introduced bills to construct highways at the expense of the Federal Treasury. Nearly all of them provide that the States shall contribute one-half of the expense for highways within their borders. One was introduced by the gentleman from Ohio [Mr. FRANCIS], who represents a district through which the national road ran and I suppose still runs. It provides that the United States shall reacquire that road from the States, rebuild it, and if the States do not give it up voluntarily, then the United States shall purchase it or acquire it by condemnation. The bill also provides that when the road is constructed it shall be maintained half from the Federal Treasury and half from the State treasuries. What the States might do or refuse to do I do not know. Most of the bills introduced propose that the roads shall be constructed on the half-and-half principle for construction and maintenance.

Mr. Chairman, these 29 Members of the House, including Representative FRANCIS, got together, and after consultation went before the Committee on Agriculture and presented the following request:

To the Committee on Agriculture:

The undersigned Members, who have introduced bills on the subject of good roads, desiring to secure, as far as possible, harmony and unity of action among the friends of such legislation, have conferred, with a view to agreeing upon a bill. After careful consideration we have prepared and agreed upon the subjoined bill and requested Mr. SHACKLEFORD to introduce it on behalf of us all. We have further requested Mr. SHACKLEFORD to appear before you and respectfully bespeak for the bill early and favorable consideration.

Very respectfully,

EZEKIEL S. CANDLER, Mississippi; J. THOMAS HEFLIN, Alabama; THOS. L. RUBEY, Missouri; JOHN J. WHITACRE, Ohio; JOSEPH A. TAGGART, Kansas; JOSEPH HOWELL, Utah; JAMES P. BYRNES, South Carolina; KENNETH D. MCKELLAR, Tennessee; E. W. SAUNDERS, Virginia; WILLIAM B. FRANCIS, Ohio; RICHARD W. AUSTIN, Tennessee; SCOTT FERRIS, Oklahoma; D. R. ANTHONY, Jr., Kansas; GEORGE WHITE, Ohio; WALTER L. HENSLEY, Missouri; JAMES M. COX, Ohio; GEORGE A. NEELEY, Kansas; J. J. RUSSELL, Missouri; J. H. GOEKE, Ohio; H. D. FLOOD, Virginia; BURTON L. FRENCH, Idaho; T. T. ANSBERRY, Ohio; C. C. ANDERSON, Ohio; P. P. CAMPBELL, Kansas; S. F. PROUTY, Iowa; W. C. ADAMSON, Georgia; BIRD MCGUIRE, Oklahoma; D. W. SHACKLEFORD, Missouri.

The Committee on Agriculture favorably considered and reported the bill to the House, and the House has agreed to a special rule making it in order to consider the bill as an amendment to the Post Office appropriation bill, which assures the consideration of the bill at this session, as the money must be appropriated to maintain the postal service.

Mr. Chairman, my time has almost expired and I can not explain the bill fully, but will, with the consent of the House, present the report of the Committee on Agriculture, which contains a copy of the bill and an explanation of its provisions.

Many of the States have very poor roads; some of the States have good roads. Indiana has 25,000 miles of the best roads in this country. [Applause.] Ohio is next with 24,000, and New York had only 12,000 in 1909, and so on.

Mr. CLINE. Will the gentleman yield?

Mr. CANNON. I have only 15 minutes, but I will yield to the gentleman for a question.

Mr. CLINE. I just wanted to supplement the gentleman's remark in reference to Indiana by saying there are plenty of sections in Indiana where they haul their gravel 12 miles to build roads, and pay 50 cents a cubic yard, and that is the expenditure there.

Mr. CANNON. In my State we have 8,000 miles of roads for which we would receive annual pay under the bill.

Mr. Chairman, if nothing else can be done at this session, the bill will wake up the country and make the respective States ready to cooperate with the United States. [Applause.] Then, perhaps, it would be well to pass it. I have some statistics which I will put in the RECORD. There are 2,000,000 miles of roads in the United States. There are 118,000 miles of roads that would get something under the bill reported by the Committee on Agriculture to be offered upon this Post Office appropriation bill. The cost would be about \$2,300,000 the first year. If the million of miles, in round numbers, over which the rural carriers travel were in as good shape as the roads in Indiana are, and substantially in Ohio, then it would cost about \$18,000,000 a year.

The roads in Illinois do not equal those in Indiana and Ohio. In Illinois it is somewhat difficult to get material near to our black land, but we have plenty of shale, and the shale brick makes the best roads. In Indiana a special tax was levied upon the land adjacent to the roads. Our roads have been improved, the country has been tiled out, and we have graded the roads, but there is a month or two in the spring when there is no bottom. The remainder of the year they are as good as any roads.

Mr. CULLOP. Will the gentleman yield for a correction in regard to Indiana?

Mr. CANNON. Just for a question, if the gentleman will make it short.

Mr. CULLOP. Is not the gentleman from Illinois confounding the Indiana drainage law with the road law?

Mr. CANNON. Oh, no.

Mr. CULLOP. It is not the contiguous land that is assessed for roads, but the land of the township.

Mr. CANNON. What the rule is in Indiana now I do not know, but way back when you commenced, 35 years ago, the law then provided a tax of so much for the adjacent section and a little less for the next section, and so on.

Mr. CULLOP. That applies to the drainage land.

Mr. CANNON. What your present regulation is I do not know, but I have no doubt it is good, because you have good roads.

Mr. CULLOP. I desire to say to the gentleman they are the best of any State in the Union.

Mr. CANNON. I have just said that, and I have some pride in that, because I was born in North Carolina and grew up in Indiana, and I think I am responsible for that condition in Indiana. [Laughter and applause.]

Now, Mr. Chairman, some people have constitutional scruples. Oh, they had such scruples way back as long ago as I recollect. I have not any doubt that under the general-welfare clause, under the authority to establish post roads under the power to regulate commerce among the States, we have ample power to construct the road from Cumberland, Md., to St. Louis, which I should like to see constructed, or any other road elsewhere in the United States, and appropriate therefor from the Federal Treasury. It is not the want of power that prevents action, it is the question of the policy of exercising that power and how far it is policy to exercise it. Will it ever be exercised? Yes. Some time it will be done, but it will be done gradually.

Mr. Chairman, the gentleman from Alabama [Mr. UNDERWOOD] introduced House joint resolution No. 262, that provides for a commission of three Members of the House and three Members of the Senate to investigate practically this whole matter and report to Congress. That measure has been reported favorably and is on the calendar for consideration. I shall vote

for it. I am in favor of having full information, especially as to what cooperation the United States can secure from the States in construction and maintenance of roads.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. CANNON] has expired.

Mr. CANNON. I will not consume further time. I wanted to talk merely about this highway question, and perhaps to the extent of 5 minutes more than the 15 minutes. [Applause.] I will extend my remarks.

The Committee on Agriculture, to which was referred House bill 22952, report the same back with the recommendation that the same be passed.

The said bill as amended will read as follows:

"A bill providing that the United States in certain cases shall make compensation for the use of highways for carrying rural mail.

"Be it enacted, etc., That for the purposes of this act certain highways of the several States, and the civil subdivisions thereof, are classified as follows:

"Class A shall embrace roads of not less than 1 mile in length, upon which no grade shall be steeper than is reasonably and practically necessary in view of the natural topography of the locality, well drained, with a road track not less than 9 feet wide composed of shells, vitrified brick, or macadam graded, crowned, compacted, and maintained in such manner that it shall have continuously a firm, smooth surface, and all other roads having a road track not less than 9 feet wide of a construction equally smooth, firm, durable, and expensive, and continuously kept in proper repair.

"Class B shall embrace roads of not less than 1 mile in length, upon which no grade shall be steeper than is reasonably and practically necessary in view of the natural topography of the locality, well drained, with a road track not less than 9 feet wide composed of burnt clay, gravel, or a proper combination of sand and clay, sand and gravel, or rock and gravel, constructed and maintained in such manner as to have continuously a firm, smooth surface.

"Class C shall embrace roads of not less than 1 mile in length upon which no grade shall be steeper than is reasonably and practically necessary in view of the natural topography of the locality, with ample side ditches, so constructed and crowned as to shed water quickly into the side ditches, continuously kept well compacted, and with a firm, smooth surface by dragging or other adequate means, so that it shall be reasonably passable for wheeled vehicles at all times.

"Sec. 2. That whenever the United States shall use any highway of any State, or civil subdivision thereof, which falls within classes A, B, or C, for the purpose of transporting rural mail, compensation for such use shall be made at the rate of \$25 per annum per mile for highways of class A, \$20 per annum per mile for highways of class B, and \$15 per annum per mile for highways of class C. The United States shall not pay any compensation or toll for such use of such highways other than that provided for in this section, and shall pay no compensation whatever for the use of any highway not falling within classes A, B, or C.

"Sec. 3. That any question arising as to the proper classification of any road used for transporting rural mail shall be determined by the Secretary of Agriculture.

"Sec. 4. That the compensation herein provided for shall be paid at the end of each fiscal year by the Treasurer of the United States upon warrants drawn upon him by the Postmaster General to the officers entitled to the custody of the funds of the respective highways entitled to compensation under this act.

"Sec. 5. That this act shall go into effect on the 1st day of July, 1913."

The basic principle of this bill is compensation by the Federal Government for the use of the roads traveled by the mail carriers in the star route and Rural Delivery Service.

The constitutional power of the Federal Government to construct or promote works of internal improvement has been debated from the foundation of the Republic. Heretofore the question of Federal aid to the construction or maintenance of highways has been considered from the point of view either of appropriations in aid of the construction of such works as are authorized by the States and are national in their character or of appropriations for the direct construction of roads and canals in order to "facilitate, promote, and give security to internal commerce among the several States, and to render more easy and less expensive the means and provisions for the common defense." The chief obstacle thus far in the path of appropriations in aid of road making or of road maintenance within the several States has been the indisposition on the part of the States to agree to any measure of Federal control or authority over their roads. No practicable scheme of joint operations using in part Federal and in part State money has been or is likely to be devised. One sole and responsible agency, whether State or Federal, must do the work, and all the funds appropriated for this work, whether county, State, or national, should be turned over to this agency. This is what this bill proposes to do with respect to Federal payments in compensation for use of the State roads.

The specter of Federal interference with State or local affairs has been eliminated by the form in which compensation will be made. The public is familiar with the system in vogue of compensating the railroads for the transportation of mail matter and of Government agents and agencies connected with the mail service. The aggregate of these payments in the last fiscal year amounted to about \$51,000,000. Thousands of miles of exclusively State roads are in use by rural and star route carriers. At present these roads are maintained by the States, though the Federal Government enjoys their free and uninterrupted use for its mail service, whether by rural or star route carriers. No reason is perceived why the Government should not pay for use of these highways, the amount of the payment to be determined in any given instance by the character of the road traveled by Federal employees performing Federal service. For the purpose of this determination the bill divides the roads in use, or to be used, for this purpose into three classes.

Class A is the highest form of improved road in country use. For a road of this character used in the rural-delivery and star-route service it is provided that the Government shall pay at the rate of \$25 per mile per year.

Class B is the next form of improved road defined in the bill, a road of high quality but not so good as that defined in class A. For this road the compensation fixed is at the rate of \$20 per mile per year.

Class C comprehends the ordinary dirt roads of the country, and for these roads the prescribed compensation is at the rate of \$15 per mile per year.

Payments are to be made at the end of each year to the appropriate custodian of the road funds, on the warrant of the Postmaster General. No payment will be made for a road not falling within one of the prescribed classes, and as the determination of the proper character of the road used will be at all times in the hands of the agents of the Federal Government, the interests of the Government in this respect will be adequately conserved. If the road is not maintained to the prescribed standard, the road authorities will not be entitled to receive compensation. If it is maintained to the standard for a portion of the year, then the compensation will be paid pro rata. The most zealous and tenacious advocate of State rights will be unable to find in this bill any encroachment upon those rights. The States will maintain and control their highways, and the Federal Government will pay for using them, provided that they are adequately maintained in the prescribed condition. If the maintenance of State roads is a function of the States, that function will not be trespassed upon or in anywise impaired by this bill. The States will continue in the sole and exclusive control of the State highways, and will be under no compulsion to receive the payments contemplated for their use. It is hardly necessary to enlarge upon the benefits to the whole public that will follow upon the general improvement of the highways in the several States. In the matter of good roads, this country lags behind the older countries of the civilized world. In part this is due to the fact that this country is the only one of the great powers that makes no national contribution either to the construction or to the maintenance of public roads. For this our dual system of government is largely responsible, since this duality has made it difficult to furnish this aid in such a manner as to reconcile the conflicting rights and interests of the States and the Nation.

It is believed that the measure proposed is not only no infraction of the Constitution but is in harmony with its general purpose. The number of miles of State roads now traveled by the rural and star-route carriers is approximately 1,179,000. The mileage in class A is 35,000 miles, in class B, 83,000 miles, and in class C, 1,061,000 miles. According to the prescribed scheme of payments the amount per year that this bill will carry on the above basis, should payments be made for the entire mileage, will be \$18,450,000. But it must be borne in mind that only a small proportion of this aggregate mileage is in condition to receive immediate compensation.

The improved roads, totaling 118,000 miles, may be considered as ready to comply with the requirements of the bill and receive compensation, but the aggregate payments on this account will be only \$2,535,000 per year. A very large proportion of the mileage of dirt roads will require much work at the hands of the local authorities before any claim for compensation can be presented. Hence it is believed that for the first year the payments on this account will be comparatively small, the exact amount required being impossible of estimate. In proportion as the mileage of the rural and star routes increases and dirt roads are improved so as to fall within class A, class B, or class C, the payments under this bill will increase, but the increase will be a legitimate and natural evolution. The inevitable effect of this measure will be not only an immediate improvement of the roads of all the States but a stimulus to road construction in every direction.

The tendency of road building hereafter will be in the direction of a steadily progressive change on the character of the State roads, the dirt roads being transformed into improved roads as rapidly as possible, so as to entitle the local communities to receive the large tolls contemplated for roads of the latter description. The universality of the benefit of this measure is one of its striking features of merit. It will touch every State and practically every community. Wherever a rural or a star route runs, however remote that route may be from the great centers of trade and commerce, the stimulating effect of this bill upon road improvement will be proportionately felt. So far from stifling or impeding the spirit of local improvement and development, this measure of Federal compensation for roads actually used will energize that spirit, since the payments provided will swell the local contributions into a working total. On the whole, it is submitted that the bill is meritorious in its purpose and constitutional in its character.

This measure is the composite production in conference of a number of members who have heretofore shown their interest in the subject of national aid to roads by the introduction of bills on this subject. At the time this measure was introduced in the House, Mr. SHACKLEFORD, of Missouri, made the following statement as a part of his remarks:

Mr. Speaker, those participating in the conference signed the following document:

To the Committee on Agriculture:

The undersigned Members, who have introduced bills on the subject of good roads, desiring to secure, as far as possible, harmony and unity of action among the friends of such legislation, have conferred with a view to agreeing upon a bill. After careful consideration we have prepared and agreed upon the subjoined bill and requested Mr. SHACKLEFORD to introduce it on behalf of us all. We have further requested Mr. SHACKLEFORD to appear before you and respectfully bespeak for the bill early and favorable consideration.

Very respectfully,

EZEKIEL S. CANDLER, Mississippi; J. THOMAS HEFLIN, Alabama; THOS. L. RUBEY, Missouri; JOHN J. WHITACRE, Ohio; JOSEPH A. TAGGART, Kansas; JOSEPH HOWELL, Utah; JAMES F. BYRNES, South Carolina; KENNETH D. MCKELLAR, Tennessee; E. W. SAUNDERS, Virginia; WILLIAM B. FRANCIS, Ohio; RICHARD W. AUSTIN, Tennessee; SCOTT FERRIS, Oklahoma; D. R. ANTHONY, Jr., Kansas; GEORGE WHITE, Ohio; WALTER L. HENSLEY, Missouri; JAMES M. COX, Ohio; GEORGE A. NEELEY, Kansas; J. J. RUSSELL, Missouri; J. H. GOEKE, Ohio; H. D. FLOOD, Virginia; BURTON L. FRENCH, Idaho; T. T. ANSBERRY, Ohio; C. C. ANDERSON, Ohio; P. P. CAMPBELL, Kansas; S. F. PROUTY, Iowa; W. C. ADAMSON, Georgia; BIRD MCGUIRE, Oklahoma; D. W. SHACKLEFORD, Missouri.

After its reference to the Committee on Agriculture, the bill was referred to a subcommittee as follows: Mr. RUBEY, Mr. LEVER, Mr. BEALL of Texas, Mr. SIMMONS, and Mr. HANNA.

After careful consideration, the subcommittee approvingly reported the measure to the full committee. The examination of the full com-

mittee confirmed the indorsement of the subcommittee, and the bill was ordered to be reported with favorable recommendation.

The figures as to the mileage of the improved roads were obtained from the Agricultural Department, while the figures as to the roads traveled by the star route and rural route carriers were furnished by the Post Office Department. In this connection, the statement afforded by the latter department is reproduced for the information of the House:

STATEMENT SHOWING THE NUMBER AND MILEAGE OF RURAL AND STAR ROUTES, FURNISHED BY THE HON. P. V. DE CRAW, FOURTH ASSISTANT POSTMASTER GENERAL.

1. On April 1, 1912, the total number of star routes in operation was 12,656, the number of miles traveled daily on these routes being 318,280.

2. The star routes classified as to frequency of service are as follows:

	Times served per week.	Number of routes.
1.	196
2.	875
3.	2,346
4.	11
5.	1
6.	7,368
7.	371
8.	2
11.	1
12.	1,118
13.	94
14.	53
15.	82
18.	102
19.	36
20.	9
21.	8
24.	38
25.	9
26.	4
27.	3
28.	5
30.	4
32.	1
33.	1

3. The total number of rural routes in operation is 42,100, of which 681 are served triweekly.

4. On April 1, 1912, the total number of rural and star routes in operation in each State was as follows:

States.	Rural.	Star.
Alabama.....	1,017	295
Arizona.....	11	83
Arkansas.....	417	598
California.....	378	424
Colorado.....	150	257
Connecticut.....	279	57
Delaware.....	107	14
District of Columbia.....	7
Florida.....	202	233
Georgia.....	1,639	169
Hawaii.....	26
Idaho.....	112	167
Illinois.....	2,856	90
Indiana.....	2,120	99
Iowa.....	2,424	55
Kansas.....	1,802	148
Kentucky.....	733	943
Louisiana.....	181	333
Maine.....	468	297
Maryland.....	437	156
Massachusetts.....	299	144
Michigan.....	2,027	173
Minnesota.....	1,594	195
Mississippi.....	779	307
Missouri.....	2,067	468
Montana.....	45	209
Nebraska.....	1,047	231
Nevada.....	3	81
New Hampshire.....	237	132
New Jersey.....	303	119
New Mexico.....	15	229
New York.....	1,899	550
North Carolina.....	1,306	432
North Dakota.....	531	222
Ohio.....	2,530	183
Oklahoma.....	1,026	337
Oregon.....	230	245
Pennsylvania.....	2,203	639
Porto Rico.....	33
Rhode Island.....	43	19
South Carolina.....	774	135
South Dakota.....	559	203
Tennessee.....	1,605	244
Texas.....	1,912	679
Utah.....	51	124
Vermont.....	340	144
Virginia.....	1,013	699
Washington.....	301	198
West Virginia.....	389	514
Wisconsin.....	1,642	170
Wyoming.....	10	154
Total.....	42,100	12,656

5. The aggregate mileage traveled by rural and star-route carriers is as follows:

	Miles.
Rural delivery:	
Daily travel	1,010,396
Annual travel	310,191,572
Star route:	
Daily travel	318,280
Annual travel	84,678,423
6. The total length of routes is:	
Rural delivery	1,018,909
Star delivery (total length of star routes is based upon travel one way only)	160,058

Mr. MOON of Tennessee. Mr. Chairman, I yield to the gentleman from Illinois [Mr. FOWLER] 40 minutes.

Mr. FOWLER. Mr. Chairman, one of the greatest problems which confronts the American people to-day, demanding their immediate attention and prompt action, is the construction of a system of hard roads throughout the country. When we consider that we have, in round numbers, 2,200,000 miles of country roads and that less than 200,000 miles of these roads are improved, and when we further consider that the average haul from the farm to the market is 9.4 miles, and that the average cost per ton is 23 cents a mile, we are compelled to admit that the farmers of this country have been sadly neglected in the past. The deplorable condition of transportation over our roads is revealed when we consider that it costs the farmer 1.6 cents more to haul a bushel of wheat 9.4 miles to market than it does to ship it from New York to Liverpool, 3,100 miles away.

Prior to the Civil War agriculture was the chief occupation of the people, and the great majority of them lived in the country. In 1790 only 3.4 per cent of the population lived in cities, and in 1850, 87½ per cent lived on farms. It was the fixed policy of this country for the first half century and more to give national aid to the construction of good roads throughout the States. Washington in his first annual message to Congress recommended that prompt attention be given to the construction of post roads, and throughout his eight years as Chief Magistrate of the Nation he steadily pursued the same policy. Madison, Monroe, and John Quincy Adams in their messages to Congress advocated the same doctrine. The old Cumberland Road from the Potomac to the Ohio was constructed by the Government, and Congress has repeatedly set apart a certain per cent of the sale of public lands and donated the same to the different States for the construction of public roads. The Constitution gives Congress the power to establish post offices and post roads, to regulate commerce, and promote the common welfare. The power is ample and has never been questioned until recent years, and only by those who are opposed to the expenditure of public money for the benefit of the common people, and in most instances they have invoked the question of expediency instead of denying the constitutional power. Since the Civil War corporations have been enthroned in high places and have strenuously striven to control legislation for the benefit of the few. In 1892 Mr. William H. Kettler estimated that out of the 784,647,308.77 acres of public lands which had been disposed of by the Government, fully 350,000,000 acres had been granted to speculators and corporations. The railroads received land grants amounting to about 200,000,000 acres, a perfect empire. Besides land grants, the Pacific railways received aid from the Government in the way of an advancement of \$64,000,000 in bonds, and thereafter the United States paid more than \$50,000,000 interest on these bonds. It was brought out in the Stanley Investigation Committee of the United States Steel Corporation a few days ago that the 23 directors of that trust control more than 55 per cent of the railroad property of the country, thereby giving them the power to shape the policy of the entire railroad business of the United States. The aggregate value of the railroads is fixed approximately at \$18,000,000,000, and the United States Steel Corporation is said to control more than \$10,000,000,000 of this wealth.

The 23 directors of this company are on the directorate boards of banks, insurance companies, express companies, and various other industrial corporations, with an aggregate capitalization of \$7,388,999,416. These men sit on the boards of directors or sit as officers of other trusts, banks, and insurance companies having a capital, surplus, deposit, and undivided profits aggregating \$3,314,811,178; in industrial corporations having an aggregate capital and bonded indebtedness of \$2,803,509,348, aggregating a grand total of more than \$30,000,000,000. Of these 23 men George F. Baker holds the greatest number of offices or memberships. He is a director in industrial corporations valued at more than \$2,000,000, railroads at more than \$1,000,000,000, and banks with a capital of more than \$1,500,000,000. The other 22 gentlemen are in industrial corporations with a capital of more than \$1,000,000,000. Among the most prominent of whom are J. Pierpont Morgan, J. Pierpont Morgan, jr., Wil-

liam E. Cory, H. C. Frick, W. H. Moore, George W. Perkins, Norman B. Ream, Daniel G. Ried, P. A. B. Widener, Percival Roberts, jr., and E. C. Converse. It has been estimated that the valuation of all the wealth in this country is fixed at about \$125,000,000,000. It will thus be seen that 23 men control more than one-fourth of the entire wealth of the country, all of which has come about by legislation granting special privileges to corporations.

Mr. Chairman, in the light of these aggregations of wealth in the hands of the few, brought about by special legislation, is it not time for us to call a halt? The Committee on Post Offices and Post Roads has given this question careful consideration. It has decided to recommend for your consideration a policy of "back to the farm," as it was in the days of our forefathers, with special attention given to agriculture and the construction of good roads. In the bill which we have reported to this House will be found a provision, as an amendment, suggested by Congressman SHACKLEFORD, of Missouri, for the purpose of giving national aid to the construction and maintenance of public highways, which is as follows:

That for the purposes of this act certain highways of the several States, and the civil subdivisions thereof, are classified as follows:

Class A shall embrace roads of not less than 1 mile in length, upon which no grade shall be steeper than is reasonably and practically necessary in view of the natural topography of the locality, well drained, with a road track not less than 9 feet wide, composed of shells, vitrified brick, or macadam graded, crowned, compacted, and maintained in such manner that it shall have continuously a firm, smooth surface, and all other roads having a road track not less than 9 feet wide of a construction equally smooth, firm, durable, and expensive, and continuously kept in proper repair.

Class B shall embrace roads of not less than 1 mile in length, upon which no grade shall be steeper than is reasonably and practically necessary in view of the natural topography of the locality, well drained, with a road track not less than 9 feet wide, composed of burnt clay, gravel, or a proper combination of sand and clay, sand and gravel, or rock and gravel, constructed and maintained in such manner as to have continuously a firm, smooth surface.

Class C shall embrace roads of not less than 1 mile in length, upon which no grade shall be steeper than is reasonably and practically necessary in view of the natural topography of the locality, with ample side ditches, so constructed and crowned as to shed water quickly into the side ditches, continuously kept well compacted and with a firm, smooth surface by dragging or other adequate means, so that it shall be reasonably passable for wheeled vehicles at all times.

SEC. 2. That whenever the United States shall use any highway of any State, or civil subdivision thereof, which falls within classes A, B, or C, for the purpose of transporting rural mail, compensation for such use shall be made at the rate of \$25 per annum per mile for highways of class A, \$20 per annum per mile for highways of class B, and \$15 per annum per mile for highways of class C. The United States shall not pay any compensation or toll for such use of such highways other than that provided for in this section, and shall pay no compensation whatever for the use of any highway not falling within classes A, B, or C.

SEC. 3. That any question arising as to the proper classification of any road used for transporting rural mail shall be determined by the Secretary of Agriculture.

SEC. 4. That the compensation herein provided for shall be paid at the end of each fiscal year by the Treasurer of the United States upon warrants drawn upon him by the Postmaster General to the officers entitled to the custody of the funds of the respective highways entitled to compensation under this act.

SEC. 5. That this act shall go into effect on the 1st day of July, 1913.

The roads are divided into three grades, namely, A, B, and C grades. The roads of grade A are the highest type and best improved roads in the country and will receive under the provisions of this bill the sum of \$25 per mile annually. They are the hard-finished roads with a level and smooth surface. The roads which are built of clay and sand, or clay and gravel, or clay and rock and gravel are placed in grade B and are to receive from the Government \$20 annually per mile. The dirt road which has been improved by leveling it up and giving it an oval surface so that it will naturally drain itself into the side ditches and which is ready for further improvements by adding gravel or macadam is denominated grade C. All of these roads are required to be not less than a mile in length and 9 feet wide, except grade C. While these amounts will not go very far in the construction of hard roads, in view of the fact that the average dirt and sand or clay and gravel roads cost \$723 per mile, and the average cost of making hard roads is more than \$10,000 per mile, yet aided by the States, counties, townships, or roads districts, we may reasonably expect some good results in the near future. It will be a beginning, at least, and that is what we most desire now.

The United States is now engaged in the delivery of rural mails in every State in the Union. She has the necessity of using the public highways in this service and it is just as reasonable to contend that she ought to pay for the use of these roads and help to construct and keep them up as it is to contend that she ought to keep up the navigable rivers and harbors of the country. It will not do to say that because the country people use these roads for transportation of their products that they should construct and maintain the roads; the same logic would apply to the use of navigable streams for transportation

of mails; they are also used by the merchant and middle man for the transportation of commerce.

If we should adopt either the parcel post or the postal express, the necessity for good roads will be much increased, and the use of the public roads by the United States for this purpose and for rural route delivery of the mails will become all the more important. It will not do to interpose the selfish plea that the farmer will get the greatest benefit from national aid in order to defeat this most important enterprise. The same argument can be used against labor going to the city for work, thereby increasing the population, and making room for larger business enterprises. As the business of the city increases the value of all property therein increases in proportion. It is not alone what the owner of property does to increase its value, but it is the growth of the city and its importance as a business and commercial center that adds the greatest value to the real estate of the city.

Mr. Chairman, the influences which have forced America to the front so rapidly in recent years are those improvements which have brought the people closer together. The establishment of the telegraph system, the telephone system, the railroad system, and the airship system have annihilated space and time by bringing the people of distant parts of the country face to face with each other, thereby lightening their burdens and establishing a closer union among them. What these great improvements have done for the people will be duplicated by the establishment of a system of good roads, with this difference I trust and verily believe. The income and profits derived from good roads will inure to the benefit of the common people as well as to the rich, while the income from the public utilities referred to have been appropriated and will continue to be appropriated by the rich corporations for their own use and benefit.

It is a deplorable fact that America has the poorest system of roads of any of the great civilized powers in the world, with the exception, perhaps, of Russia, and yet she is the richest and most intelligent of all. It has been estimated by scientific investigation that the average cost per ton over hard roads from the farm to the market ought not to exceed 8 cents a mile. In England, France, and Germany, where the roads are highly improved, it does not cost that much. In some places where the roads have reached a state of high-grade improvement the cost per ton-mile does not exceed 6 cents, and in some instances it runs as low as 5 cents per ton-mile. However, the general average, taking the roads as a whole, is about 10 cents per ton-mile. They use wagons with tires from 4 to 6 inches wide, which become road builders instead of road destroyers. They can haul from 3 to 6 tons a load with two horses. While in America, with our bad dirt roads so soft and muddy one-fourth of the year, we are unable to do any teaming until they dry out, and then they are left with such a rough and uneven surface that our loads are much reduced in size in consequence thereof.

In 1906 the Bureau of Statistics of the Agricultural Department collected data from 1,894 counties in this country, and from that made an estimate that the average distance from the farm to the nearest market is 9.4 miles, and that the average cost per ton to the farmer for hauling his farm products from the farm to the market is 23 cents a mile. The Bureau of Commerce and Labor has estimated that there are about 900,000,000 tons of freight originating on the various railroads annually; 32 per cent of this comes from the farm, forest, and miscellaneous sources, which amounts to 275,000,000 tons. If we estimate that 200,000,000 tons of this amount are hauled over the country roads at an average distance of 9.4 miles, and at a cost of 23 cents a ton-mile, we have a cost of \$432,400,000 for road transportation alone. This does not include that vast amount of freight which is hauled to the rivers, canals, wharves, and docks from the farm for shipment. Neither does it include the millions of tons which are hauled back and forth from the mills to the farms, back and forth from the mines and quarries to the farm, and the supplies for the farm which are hauled from the market to the farm, all of which must be equal to the amount hauled to the railroad, which will total up in round numbers to about \$1,000,000,000. If a system of good roads would reduce this cost to about 10 cents per ton-mile, as it is to-day in England, France, and Germany, or if it would reduce it to 8 cents per ton-mile, as is estimated by scientific experiment, the farmers would save more than \$500,000,000 annually. On the old Cumberland Pike road it cost 17 cents per ton-mile, with a good profit. In 1896 it was estimated by the United States authorities that the cost was then 25 cents per ton-mile, but since that time much improvements have been added to the roads, and the cost has been reduced to 23 cents per ton-mile. I insert the table which was compiled by the Bureau of Statistics of the Agricultural Department, which is as follows.

Average costs of hauling products from farms to shipping points: Totals for States represented.

Product hauled.	Number of counties reporting.	Average—					
		Miles to shipping point.	Days for round trip.	Pounds in one load.	Cost per load.	Cost per 100 pounds.	Cost per ton per mile.
Apples.....	114	9.6	0.9	2,300	\$2.79	\$0.12	\$0.25
Barley.....	226	8.8	.7	3,970	2.67	.07	.15
Beans.....	22	9.0	.8	3,172	2.75	.09	.20
Buckwheat.....	8	8.2	.8	2,438	2.90	.11	.27
Corn.....	981	7.4	.6	2,086	1.78	.07	.19
Cotton.....	555	11.8	1.0	1,702	2.76	.16	.27
Cotton seed.....	110	10.7	.9	1,654	2.42	.15	.28
Flaxseed.....	51	10.4	.7	3,409	2.70	.08	.15
Fruit (other than apples).....	99	11.6	1.1	2,181	3.53	.16	.28
Hay.....	761	8.3	.7	2,786	2.32	.08	.19
Hemp ¹	7	5.2	.7	3,393	2.10	.06	.23
Hogs (live).....	316	7.9	.7	1,941	2.00	.10	.25
Hops.....	14	11.7	1.0	3,665	3.89	.11	.19
Oats.....	798	7.3	.6	2,772	1.82	.07	.19
Peanuts.....	19	8.1	.6	1,363	1.67	.12	.30
Potatoes.....	569	8.2	.7	2,679	2.34	.09	.22
Rice.....	18	7.5	.8	2,407	2.70	.11	.29
Rye.....	78	8.4	.7	2,625	2.23	.08	.19
Timothy seed ²	5	8.0	.8	2,410	1.92	.08	.20
Tobacco.....	113	9.8	.8	2,248	2.28	.10	.20
Vegetables (other than potatoes).....	152	9.8	.9	1,852	2.84	.15	.31
Wheat.....	1,051	9.4	.8	3,323	2.86	.09	.19
Wool.....	41	29.8	5.6	4,869	21.39	.44	.22

¹ Kentucky only.

² Average for six States only.

³ Iowa only.

Mr. Chairman, it has been said by some Members of this House, mostly Members representing city districts, that the farmers ought to build their own roads, because they will derive all the benefit therefrom by an increase in the price of their lands. Such statements are certainly prompted by prejudice of the city against the country, and without a due consideration of the great advantages which the city will receive by the establishment of a system of good roads. I challenge the accuracy of such statements, Mr. Chairman, and assert that the construction of a system of hard roads in America will not only increase the value of the farm but it will increase the value of every lot in every city throughout the land. Who ever heard of town property being worth anything without a prosperous country surrounding it for support? Who ever heard of a city thriving and becoming a great industrial and social center unless it had a country back of it for support? And who ever heard of a town growing to any size without highways of easy approach, such as railroads, rivers, and good country roads? A stream can rise no higher than the capacity of its feeders, and the same is true of a city. Its capacity in wealth and influence is dependent upon the capacity of the country supporting it. I assert, Mr. Chairman, with all the confidence of truth, that if we establish a system of hard roads in this country, it will be the means of building up great, strong, central cities in the country of commanding commercial importance, and will give an internal improvement which can come about in no other way. England, France, Germany, Spain, and Holland have constructed public highways at the expense of the Government. They have cut down the hills, leveled up the low places, and finished their roads with a smooth, hard surface, so that they practically have level roads from the country town to the city. This being the case, the town of the old country is regarded as a center, whether it be a little Iberian village or a great city like Rome.

Mr. LOBECK. Will the gentleman yield for a question?

Mr. FOWLER. Yes.

Mr. LOBECK. Have not they had centuries in which to build these roads? Have not they had millions of people to help them build them, and is not this a new country, and is it not developing as fast as any of the old countries did from the beginning of civilized times down to the present?

Mr. FOWLER. We want to develop faster than the old countries did. We are a faster people than they are; we are the greatest nation on earth, with the greatest amount of wealth and with the greatest amount of energy and intellect of any people on the globe. Nothing, in my opinion, will aid us more in our efforts for rapid development than a system of good roads.

Mr. LOBECK. Have we not had the flower of Europe to help us out?

Mr. FOWLER. We have had not only the flower of Europe, but we have had the flower from all other civilized countries in the world coming here to mix and mingle with our blood, which has made us glorious and prosperous. [Applause.]

Mr. LOBECK. That has made flowers of us.

Mr. FOWLER. Mr. Chairman, in 1850 only 12½ per cent of the population of our country lived in cities, now more than one-half of our people are crowded in the incorporated cities, the exact per cent being 53.6. Living in cities of 2,500 and more, the per cent is 46.3. I know a family of five young men, whose parents and their ancestors on both sides had always been farmers, but all of these boys, long before they reached manhood, left the farm and took up other occupations. Man is a social being, and without good society, good schools, and good churches he becomes restless in this age of civilization and seeks relief. He would rather economize and often suffer for the necessities of life than be away from these great social, intellectual, and moral uplifting influences. The tide will continue to flow from the country to the city until something is done to give the country people those conveniences which are enjoyed in the city. Nothing, in my opinion, will be a greater stride in this direction than the construction of good roads everywhere. This would give the farmer an opportunity to reach the market readily and regularly, thereby giving him an opportunity to place the products of the farm on the market whenever there is a demand for them, instead of being forced to sell whenever the roads will permit haulage thereon. The basis of the sale now is not regulated by the demand for the product, but by the condition of the roads, whether the market is bare or glutted. This regularity would have a tendency to maintain steady prices and reduce the high cost of living, a thing most desirable nowadays.

An examination of the statistics of counties with improved roads will almost invariably reveal that the population has increased, whereas the counties with but little or no improvements of public roads will reveal that the population has decreased decidedly. I am informed by the Bureau of Statistics that 25 counties were selected at random, with an average road improvement of 1.5 per cent, and that the census shows that in 10 years, from 1890 to 1900, the population had decreased 3,112 for each of these counties; I am also informed by the same authority that 25 other counties, with an average of 40 per cent road improvements, the population increased 31,095 to the county, during the same period.

I have no doubt but that good roads have their bearing upon the question of illiteracy. It is noticeable that in the States of Massachusetts, Rhode Island, Connecticut, Ohio, and Indiana, with 35 per cent of their roads improved, 77 per cent of the children enrolled attended school regularly, while in the States of Alabama, Mississippi, Arkansas, Georgia, and South Dakota, with only 1.5 per cent of their roads improved, the children enrolled who attended school regularly were only 59 per cent. Data from the Twelfth Census show that in four States, with a population of 7,000,000 people, 375,000 white illiterates were born of native parents. These States are conspicuous for their bad roads; whereas four other States with comparatively good improved roads and having a population of more than 6,000,000, there were only 20,000 illiterates. In many States where there are good roads the children of whole townships are placed in one school, giving an opportunity to establish a systematic graded school, which certainly is advisable and much more satisfactory. Children can not attend school regularly over wet, muddy roads, and that community with such roads can not hope to attain as high a standard of education as those where the roads are good.

The census of 1900 shows 850,000,000 acres of farm lands, improved and unimproved. There are nearly 425,000,000 acres unimproved. The poor quality of the soil and the distance from market keep much of this territory out of cultivation, but that a system of good roads would place a large area under cultivation and materially increase the output of the farm is the opinion of all close students of economics.

The question of good roads is now being agitated everywhere. Good roads congresses and good roads organizations of various denominations exist in every State in the Union. The good women of Illinois have a good roads congress organization, and they are doing much good in this direction. They held a three-days' convention during the early part of this month at Chicago for the purpose of discussing this vital question. Never before in the history of the country since I can recollect has there been such a universal awakening upon this subject. The school children are debating the question and writing essays upon it. Every State in the Union is doing some work in this direction. Indiana, with 25,000 miles of improved roads, takes the lead, followed by Ohio with 24,000 miles, New York with 12,000 miles, Wisconsin with 10,000 miles, Kentucky with 10,000 miles, Illinois with nearly 9,000 miles, California with 8,500 miles, and Massachusetts with 8,400 miles. I am sorry to say that the average improvement is only 8.66 per cent.

In Illinois we are furnished with limestone macadam, crushed at Chester State Penitentiary, free for hard-road building, and all that it costs is the cost of transportation. In the southern

part of the State the watchword is to construct a piece of some hard road, however short, annually in every township.

I submit the following tables showing per cent of improvements in each State and the average cost per mile of improved roads:

Mileage of sand-clay roads in the United States in 1904 and 1909.

State.	1904	1909
Alabama.....	12	1,107
Arizona.....		25
Arkansas.....		378
California.....		1,289
Connecticut.....		1,214.25
Delaware.....		8.08
Florida.....	435	1,016.5
Georgia.....	513	4,326.5
Idaho.....		398
Iowa.....		575
Kansas.....		202.25
Louisiana.....		168
Maryland.....		23
Michigan.....		2,381.65
Minnesota.....		1,051.5
Mississippi.....		103
Missouri.....		12.25
Nebraska.....	6	179.75
New Mexico.....		71
North Carolina.....	438	729.5
Oklahoma.....		196
Oregon.....		345
Rhode Island.....		6
South Carolina.....	1,575	3,218
South Dakota.....		129
Tennessee.....		127
Texas.....		2,253.75
Utah.....		643.5
Virginia.....		185.5
Washington.....		1,223.45
West Virginia.....		14
Wisconsin.....		1,013
Total.....	2,979	24,601.42

¹ Approximately.

Average cost per mile of improved roads in various States in 1909.

State.	Sand-clay.	Gravel.	Macadam.	Bituminous.
	Dollars.	Dollars.	Dollars.	Dollars.
Alabama.....	680	1,483	2,525	13,250
Arkansas.....		940	3,250	
California.....	412	1,375	5,375	8,575
Colorado.....		1,475		
Connecticut.....		5,412	8,220	
Delaware.....	(³)	(⁴)	6,850	10,120
Florida.....	829	3,900	3,112	
Georgia.....	387	1,250	2,275	
Indiana.....		1,887	2,657	
Kansas.....	785		4,070	
Kentucky.....		1,011	2,158	
Louisiana.....	654	2,100		
Maine.....		3,687	9,022	19,681
Maryland.....	1,775	1,000	8,192	
Massachusetts.....			7,451	9,714
Michigan.....		1,843	4,346	
Minnesota.....	766	946	3,280	
Mississippi.....		2,058	5,135	
Missouri.....		1,023	3,888	
Montana.....	(¹¹)	1,800		
Nebraska.....	933		16,000	18,448
New Hampshire.....		2,352	5,016	
New Jersey.....		4,317	8,746	9,930
New York.....		5,950	9,496	
North Carolina.....	506	1,006	4,020	
Ohio.....	(¹²)	1,909	4,580	7,766
Oklahoma.....	389		3,750	
Oregon.....		1,940	3,491	
Pennsylvania.....		1,575	9,164	10,000
Rhode Island.....			(¹³)	(¹⁴)
South Carolina.....	415	1,133	3,252	
Tennessee.....	1,050	1,697	2,727	
Texas.....	593	1,708	2,160	6,000
Utah.....	718	2,188	5,000	
Vermont.....		1,603		
Virginia.....	607	2,200	4,920	
Washington.....		2,600	7,600	
West Virginia.....			5,414	(¹⁵)
Wisconsin.....	800	1,135	2,975	
Average.....	723	2,047	4,989	10,348

¹ For one section of road only.

² Average cost of telford macadam, \$11,323.47; telford gravel, \$7,659.71 per mile.

³ \$0.15 per square yard.

⁴ \$0.25 per square yard.

⁵ Average cost of shell roads, \$3,186.

⁶ Marl and coral, sometimes referred to as cocina.

⁷ Average cost of shell roads, \$3,000.

⁸ Some of these roads are 40 feet in width.

⁹ Average cost of shell roads, \$2,984 per mile.

¹⁰ Average cost of three sand and oil roads, \$4,718.66 per mile.

¹¹ \$0.23 per square yard.

¹² Average cost of brick roads, \$12,381 per mile.

¹³ \$0 cents per square yard.

¹⁴ \$1.25 per square yard.

¹⁵ Average cost of shell roads, \$3,083 per mile.

¹⁶ Telford gravel roads, \$2,500 per mile.

¹⁷ Average cost of brick roads, \$14,500 per mile.

Public-road mileage in the United States in 1904 and 1909.

State.	Total mileage.		Mileage of improved roads.								Percentage of all roads improved.	
			Stone.		Gravel.		Other materials.		Total.			
	1904	1909	1904	1909	1904	1909	1904	1909	1904	1909	1904	1909
Alabama.....	50,089	49,639	392.5	683.50	1,261.5	1,398.43	66	1,182	1,720	3,263.93	3.43	6.58
Arizona.....	5,987	5,987	1	216	216	248	25	217	273	273	3.62	4.56
Arkansas.....	36,445	36,445	55	170	181	537.25	378	236	1,085.25	.64	2.97	
California.....	46,653	48,069	418.5	579.25	5,843.5	6,054	2,541	1,954.50	8,803	8,587.75	18.87	17.87
Colorado.....	30,214	29,693	57	14	121	306.50	178	320.50	178	320.50	.59	1.08
Connecticut.....	14,088	12,583	463.5	665.62	1,896.5	774.40	1,590.52	2,300.1	3,030.54	16.75	24.08	
Delaware.....	3,000	3,000	14	96.36	2	49	50	41.07	66	186.44	2.20	6.22
Florida.....	17,374	17,579	345	278.25	17.5	259.00	523	1,214.50	885.5	1,752.35	5.10	9.97
Georgia.....	57,203	82,230	438	522	659	880.50	537	4,575.50	1,634	5,978	2.86	7.27
Idaho.....	18,163	18,403	17	17	195	95.50	398	212	510.50	1.16	2.77	
Illinois.....	94,141	94,141	1,106.5	1,814	6,800	17.5	7,924	8,914	8,914	8.42	9.47	
Indiana.....	68,306	67,996	3,295	4,398.25	20,582	20,508.75	48.75	23,877	24,955.75	34.96	33.70	
Iowa.....	102,448	102,427	241	357.25	1,403	1,572.85	20	575	1,664	2,505.10	1.62	2.45
Kansas.....	101,196	98,302	111.7	136.95	158.5	27.75	3	210.01	273.2	374.71	.27	.38
Kentucky.....	57,137	53,744	8,078	8,709.25	1,408	1,404	1.70	9,496	10,114.95	16.60	18.82	
Louisiana.....	24,897	24,962	87.5	98.34	2,236	2,493.75	8	247	34	329.50	.14	1.32
Maine.....	25,528	25,528	840	1,222.80	480	488	250	431.50	2,323.5	2,703.06	9.10	10.59
Maryland.....	16,773	16,773	1,212.7	2,296.06	6,621.1	6,166.52	10	7,843.8	8,463.18	45.89	49.00	
Massachusetts.....	17,092	17,272	1,212.7	2,296.06	6,621.1	6,166.52	10	7,843.8	8,463.18	45.89	49.00	
Michigan.....	69,296	68,906	248.5	747.81	6,777	3,770.58	2,382.15	7,025.5	6,900.54	10.14	10.01	
Minnesota.....	79,324	79,323	67.5	137.35	6,179	4,228	1	1,051.50	6,247.5	5,416.85	7.87	6.83
Mississippi.....	38,698	39,619	52.50	109	165.75	40	124	342.25	.31	.86		
Missouri.....	108,133	107,923	861.5	1,240.75	1,871.5	3,512.50	2.25	2,733	4,755.50	2.53	4.40	
Montana.....	22,419	23,319	.50	65	94.50	50	6	195.55	23	248.55	.03	.31
Nebraska.....	79,462	80,338	17	52.50	60	45	64	46	51	.36		
Nevada.....	12,585	12,751	4	1	60	45	64	46	51	.36		
New Hampshire.....	15,116	15,116	118	201.82	1,175	1,246.66	1,293	1,448.48	8.55	9.58		
New Jersey.....	14,842	14,842	1,901	2,594.09	481.5	572.44	39.8	211.33	2,422.3	3,377.86	16.32	22.76
New Mexico.....	15,326	16,920	25	2	8	8	71	2	104	.01	.61	
New York.....	73,798	79,279	2,184	4,614.40	3,692	8,172.96	5,876	12,787.36	7.96	16.13		
North Carolina.....	49,763	48,285	399	1,038.50	422	545	438	729.50	1,259	2,313	2.53	4.79
North Dakota.....	59,332	61,593	7	205	140	140	212	140	36	.23		
Ohio.....	69,439	88,891	7,160.5	9,687	16,159	14,188	140.5	231	23,460	24,106	33.79	27.13
Oklahoma.....	43,554	71,525	23.50	451.25	2,235	1,871	145	477	2,589	2,799.25	7.56	9.49
Oregon.....	34,258	29,475	209	451.25	2,235	1,871	145	477	2,589	2,799.25	7.56	9.49
Pennsylvania.....	99,777	87,886.79	2,100.8	2,764.01	436.10	436.10	168.65	2,160.8	3,364.76	2.17	3.84	
Rhode Island.....	2,361	2,120.75	247	409.10	774.5	774.5	27.97	1,021.5	1,042.07	43.27	49.14	
South Carolina.....	41,830	32,075	69	153.75	179	131	1,630	3,250	1,878	3,534.75	4.49	11.02
South Dakota.....	59,295	56,354	4	10	147	147	129	151	286	.25	.50	
Tennessee.....	48,989	45,913	1,774	2,684	2,511	2,542.50	127	4,285	5,353.50	8.75	11.66	
Texas.....	121,409	128,971	167	365.25	1,909	2,126	52	2,404.75	4,896	1.75	3.80	
Utah.....	7,090	8,320	11	42	597	332	644	608	1,018	8.57	12.23	
Vermont.....	14,521	14,406	581	466.65	1,672.5	2,183.98	1,953.5	2,650.63	13.45	18.40		
Virginia.....	51,812	43,399	755	1,011.50	720	610.75	125	230.50	1,600	1,902.75	3.09	4.38
Washington.....	31,998	34,283.60	48.5	100.41	1,928	3,178.92	1,241.35	1,976.5	4,520.68	6.17	13.19	
West Virginia.....	26,178	32,109	217	543.90	26.5	33.50	11	254.5	591.40	.97	1.84	
Wisconsin.....	63,593	61,090	733.2	659.33	9,900	8,494	1,014	10,633.2	10,167.33	16.72	16.64	
Wyoming.....	10,447	10,569	153	416	153	416	153	416	153	416	1.46	3.94
Totals and averages.....	2,151,379	2,199,645.14	36,818.4	59,237.35	109,905.1	102,870.44	6,806.8	28,372.52	153,530.4	190,476.32	7.14	8.66

1 This includes gravel roads.

These tables reveal that this work is progressing very slowly, and there is a good reason for it. It is too big a proposition for any community to undertake. It is not an individual undertaking, but, on the other hand, it is an undertaking of collective forces and means. The digging of the Panama Canal was too big a proposition for the individual. It was too big a proposition for a company. Several companies undertook it at different times, but all of them failed and gave up the job as being too big. Some of them failed in disgrace, I am sorry to say. It took America, with her wealth, with her ingenuity and indomitable will power, to accomplish that vast undertaking. What has been done for the Panama Canal can be done for the public roads of this country and place them first among the nations of the world, thereby giving the citizen of the country the same advantages for happiness and prosperity as is enjoyed by the citizen of the populous cities, but it can not be done by the farmer alone, it is too expensive, and necessarily will require the aid of both the State and the Nation. The time is ripe for it, the conditions of the country demand it; the farmers stand in sore need of it, and why not consent to it as freely and ungrudgingly as we did the digging of the Panama Canal? It will bring more universal and lasting good to the people of this country than any other proposition now before the American people.

Mr. FOWLER. Will the gentleman yield for a question?

Mr. FOWLER. Yes.

Mr. FOWLER. We are all proud of the strength of this Nation to build the Panama Canal, to set an example of what the enterprise of America can do as compared with other nations that have failed in such great undertakings. But I wish to remind the gentleman that my own State, which is now appropriating \$200,000,000 out of its own treasury to enlarge the Erie Canal, could have undertaken that work and carried it to a successful conclusion. I also want to ask the gentleman, who speaks in such glowing terms of the great progress that Illinois

has made in building its own roads, whether he thinks it is quite fair for the State of Illinois to spend so much money, when perhaps the State of Iowa or some other State is not spending any, and then Illinois have to join in and help fill the National Treasury in order that the delinquent States shall get the benefit, the same as the citizens of Illinois are giving to their own State?

Mr. FOWLER. I do not know of any State in the Union but what is making an effort for the purpose of building some kind of good roads; but I do say to the gentlemen from New York that I believe it is just as right in good morals and in good civilization for the Nation to undertake to help build hard roads as it is for the Nation to improve the rivers and harbors of this country or to dig the Panama Canal. [Applause.] The gentleman boasts that his State alone could have constructed the Panama Canal, and I grant that it could. Mr. Morgan himself could have done it, but he did not have the courage to do it. He wanted to do it if it had millions in it for him, but he did not offer to do it because he knew the American people would not let him make millions out of it. That great thoroughfare is for the civilization of the world, and ultimately to bring it under a republican form of government. [Applause.]

Mr. FOWLER. Will the gentleman yield for another explanation?

Mr. FOWLER. I will yield to the gentleman for a short question.

Mr. FOWLER. Does the gentleman mean to infer that the State of New York, in spending \$200,000,000 of its own money to enlarge the Erie Canal, is doing it dishonestly?

Mr. FOWLER. Mr. Chairman, I am not imputing anything but honestly to any great enterprising State or municipality. I assume that the people are honest everywhere until they are shown to be to the contrary. I am glad to know that New York is so liberal with her money in aid of constructing and maintaining her canals.

Mr. STEENERSON. Will the gentleman yield?

Mr. FOWLER. I can not yield very much, for I want to cover two other subjects.

Mr. STEENERSON. I should like to ask the gentleman one short question. Does the gentleman think a hard dirt road in Illinois would come within the definition here that requires a road to be firm and smooth at all times? I understood the gentleman from Illinois [Mr. CANNON] to say that those Illinois country roads were bottomless in wet weather. Is it not a fact that you will not get any money at all for those roads?

Mr. FOWLER. "At all times" would, if strictly construed, exclude every road from the bill, and there would not be a mile of road, under this construction, which would come within the meaning of these words. Such words, "at all times," must receive a reasonable construction, and that is what the courts would do whenever it is put up to the court, I apprehend.

Mr. STEENERSON. Is there not danger that the States with the macadamized roads would get all the money, and the States with dirt roads would get none?

Mr. FOWLER. No, Mr. Chairman; that construction is a strained construction, because the stone road gets out of fix and repair just as quick as the dirt road, and it is harder to repair than the dirt road, because the material is not present on the ground and requires a journey of some distance for it in the majority of cases.

Mr. Chairman, a system of good roads in the country will give the people quick and easy communication with one another and will reduce the high cost of living. In 1910 we raised in this country \$9,000,000,000 worth of farm products. It is fair to estimate that the farmer kept about one-third, or \$3,000,000,000, of it for his own consumption. The other two-thirds, or \$6,000,000,000, had to find its way from the farm to the market over our horrible roads.

It is estimated that this \$6,000,000,000 worth of farm products cost the consumer the enormous sum of \$13,000,000,000 by the time it reached him. In other words, the consumer paid for transportation and middleman's profits the sum of \$7,000,000,000, or \$1,000,000,000 more than the farmer received for his entire crop. It is also estimated that the total output of the factory for the same year amounted to more than \$20,670,000,000. This estimate only includes the cost of the material and the cost of labor necessary to turn out the finished product. If we should add to this the same per cent for transportation and middleman's profits as was done to the products of the farm it will give us the sum which the consumer was compelled to pay, \$44,785,000,000. Take from this sum the original cost of material and cost of labor, which we have seen was \$20,670,000,000, and we have the sum of \$24,115,000,000 for transportation and the middleman's profit. Add to this the \$7,000,000,000 for cost of transportation and profits on farm products and we have a total of \$31,115,000,000 as the price which the consumer paid for transportation and middleman's profits for one year.

If it be said that this estimate is too high, I call the attention of the House that the estimate for transportation and middleman's profits on farm products was made by Mr. B. F. Yoakum, chairman of the board of directors of the Frisco lines. I have made the estimate on the finished product myself, based on the same per cent made by him on farm products. If it should be contended that my estimate is too high on the finished product, I call the attention of the House that Charles M. Schwab, on the 15th day of May, 1890, in a letter to Mr. H. C. Frick, relative to the production of steel rails, said:

You know we can make rails for less than \$12 per ton, leaving a nice margin on foreign business. Besides this, foreign costs are going to increase year by year, because they have not the raw materials, while ours is going to decrease. The result of all this is that we will be able to sell our surplus abroad, run our works full all the time, and get the best practice and costs in this way.

Mr. Schwab incorporated this letter in his evidence before the Ways and Means Committee on November 27, 1908, and made it a part of his testimony, page 1628 of the hearings. It is well known that steel rails have been selling for \$28 to \$32 for many years, giving to the corporation for transportation and profits a sum two and a half times the cost of production. Wheat binders are sold to the farmer for \$140 to \$150, while as a matter of fact the cost of production is less than \$30 each, leaving for transportation and profits a sum more than five times the original cost. If these are fair samples of profits and cost of transportation, it is a most deplorable condition, and shows to what extent the consumer is being daily exploited. Our only hope to reduce the high cost of living is to improve the roads to reduce the cost of transportation and prostrate the trusts until they dissolve and restore competition in the commercial world, thereby resulting in a reduction of the robber profits. It will take this to give any

kind of relief to the consumer, and the proper thing for us to do is to make a bold beginning with a bill that will give the greatest measure of relief possible with the least possible damage to the business of the country.

Good roads would give an opportunity to put the products of the farm on the market regularly, and there is a great necessity for that. Because if you put the whole crop of the country on the market at one time, all the wheat, all the corn, all the potatoes, or all of any other crop, the market will become congested and the farmer will get an inadequate price for his stuff. It is then hoarded up by the middleman to keep and deal out to the consumer under the plea of inadequate supply. In this way the middleman puts up the price at pleasure and reaps all the profits, while the farmer barely gets enough to live on. The big moneyed middleman is to blame for the high cost of living.

Mr. CLINE. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. Yes.

Mr. CLINE. I do not understand clearly from the gentleman's discussion whether he is in favor of this proposition in the bill.

Mr. FOWLER. The gentleman need not be uneasy about that. I have no hesitancy in declaring myself unalterably in favor of any measure which will lighten the burdens of that class of people whose labor satisfies the hunger of the world. I will vote for any bill which seeks relief to them. I care not what its terms are. I am in favor of a beginning. [Applause.]

Mr. CLINE. I understood the gentleman was in favor of the Government building the roads.

Mr. FOWLER. No; I tried to make myself clear on that point. The Government, State, county, township, or road district ought to unite and go hand in hand in this work.

Mr. CLINE. Would you expect to have the Government have any control over or title in the road?

Mr. FOWLER. No; the Government ought not to have any control over or title in the roads or interest in them. The Government to-day is using the roads for the purpose of delivering the mail on the rural and star routes to the people in the country and pays nothing for such use. I was going to come to that proposition. It is just as reasonable for the Government to pay for the use of the roads over which it delivers the mails as it is to pay for the steel cars that it carries the mail in on the railroads. This bill does not contemplate Government construction of roads. It provides that the Government should pay for the use of certain improved roads.

Mr. CLINE. I am not taking any exception to the gentleman's position, but I wanted to know what his relationship was to the subject and how it was to be distributed in harmony with the bill.

Mr. FOWLER. Mr. Chairman, I am glad the gentleman from Indiana asked the question. While the bill is not just what I would like to have, yet I will vote for it, and I am not going to vote for any amendment offered by the enemies of the bill in order to kill it. I am for the bill. Let us pass it and make it the law. [Applause.]

PARCEL POST OR POSTAL EXPRESS.

Mr. Chairman, there is another question which I desire to call the attention of the House to, and that is the transportation of the small package. There are two propositions before Congress dealing with this subject; one is known as the parcel post and the other is known as the postal express. The small parcel up to the weight of 4 pounds is now carried through the mails at a flat rate of 16 cents per pound—however, only certain kinds of parcels enjoy this privilege—and this provision of the law applies to citizens of this country. Small packages of the weight of 11 pounds are carried through the mails for 12 cents a pound for the benefit only of foreigners residing in this country. The argument is put up by some that we ought to change this law so that we would carry the small package for citizens of our country on the same terms as we do for foreigners. This is the contention of the Committee on the Post Office and Post Roads, and a provision for such change is incorporated in the bill now before the House, which is known as the annual appropriation bill for the Post Office Department. This bill also provides for a rural route parcel-post system, which begins and terminates on the rural routes, on the following terms:

That postage shall be paid on all articles, parcels, or packages entitled to transportations under the provisions of this act as matter of the fourth class on rural mail delivery routes only at the following rates: One cent for each 2 ounces or less, 2 cents for more than 2 ounces but not more than 4 ounces, 3 cents for more than 4 ounces but not more than 8 ounces, 4 cents for more than 8 ounces but not more than 12 ounces, 5 cents for more than 12 ounces but not more than a pound, and 2 cents per pound for each additional pound or fraction thereof up to and including a total of 11 pounds. That the Postmaster General shall make all rules and regulations necessary and not inconsistent with law to the proper execution of this act.

The transportation of the small package has given the people of all civilized countries much concern, many of which have worked out the problem and now have fixed and definite rules and laws regulating the same, but in our country but little has been done for the relief of the people. We have been left to the mercy of the railroad and express companies to establish rules favorable to themselves and most unfavorable to the people. High express rates, reaching far into the dark fields of robbery are extorted from the people annually by the express companies. The railroads have ceased, practically, to carry any package under 100 pounds, and have turned all of this class of business over to the express companies, with the understanding that the express company will get 52½ per cent of the express charges and the railroads will get 47½ per cent for transportation charges. A nice game, indeed, Mr. Chairman. Now, in my judgment, the thing for us to do is to look into this matter carefully and frame a law broad enough to give substantial relief, one which will move the product of the farm on equal terms with the product of the factory. I have examined all of the bills dealing with parcel post, and I lay down this proposition without fear of being successfully challenged by any Member of this House: That there is not now any bill before this House which is broad enough to move the products of the farm in small parcels either to the consumer or to the markets. Why? Because all of them deal with fourth-class matter alone, and under the rules and regulations of the Post Office Department only certain articles can be transported through the mails as fourth-class matter. Here is the list of fourth-class matter, prepared and sent out by the Post Office Department to regulate this question, and nothing which does not fall within its provisions can be admitted to the mails as fourth-class matter.

Mr. Chairman, under these regulations nothing raised on the farm can be carried in the mails as fourth-class matter except dried fruits, queen bees, and cut flowers. The third-class matter adds but little to the list, only a few other things, such as samples of grain and bulbs for the garden. None of these bills undertake to change the law so that articles from the farm may be carried through the mails on like terms with articles from the factory.

Mr. MOON of Tennessee. The gentleman is mistaken about that. There are four classes of mail matter—first class for letters, second class for newspapers and publications of that sort, third class for bound books, and the fourth class is merchandise.

Mr. FOWLER. Yes; but it does not include anything from the farm, except queen bees, dried fruits, and cut flowers, and that is all. I am speaking now of the regulations that the Post Office Department has established. I grant now that the matter is under the Post Office Department as an administrative question, to be regulated by that department under existing laws.

Mr. MOON of Tennessee. Everything that the department under the law and its rules and regulations would hold to be merchandise could pass as fourth-class matter.

Mr. FOWLER. Here is the list, and I am going to print it in my speech in the RECORD. The only things it takes in from the farm are queen bees, cut flowers, and dried fruits.

Mr. LOBECK. And Christmas presents?

Mr. FOWLER. No; it does not take in Christmas presents from the farm, unless they should be queen bees, dried fruit, or cut flowers.

Mr. MOON of Tennessee. Suppose the department were to say that potatoes and onions and apples and things of that sort, which are merchandise and are the products of the farm, could under the regulations go through, would they not have the right to do it?

Mr. FOWLER. The authority of the Post Office Department to make rules is prescribed by the law.

Mr. MOON of Tennessee. Almost every farm product that is not perishable in its nature could pass through the mail.

Mr. FOWLER. That may be true, but as it stands to-day, under the regulations established by the Post Office Department, there is not a parcel-post bill before this Congress that would move anything from the farm to the consumer or to the market except the articles mentioned. I grant they might make a reclassification, but the existing law would govern whatever classification might be proposed.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. FOWLER. Certainly.

Mr. LEWIS. Mr. Chairman, on the point of the colloquy between the gentleman from Tennessee and the gentleman from Illinois I find on investigation that the power of the Postmaster General to determine classifications under the fourth class goes back to a statute. The statute prescribes that nothing of a

fourth-class character shall be receivable as such unless it be of a character that it may go in the mail bag without injury to itself, without injury to anything else in the mail bag, and without injury to the bag itself. From that statute the Postmaster General has worked out the classifications that my friend has read. Obviously butter and eggs and dressed poultry and the products of the farm could not be put in a mail bag and carried with other matter, and the existing statute restricts the mailing privilege to matter as I have described it which may be put in the mail bag without injury to itself, the bag, or the other contents. So the gentleman from Illinois, in my judgment, is entirely correct in asserting that nothing from the farm can be carried under these bills.

Mr. MOON of Tennessee. Why, of course, under the present rules and regulations.

Mr. LEWIS. And statutes.

Mr. MOON of Tennessee. Rules and regulations made in pursuance of the statutes. The statutes give the power to the Post Office Department to make rules and regulations that have the force and effect of statutes in matters of that sort. It is very obvious that you could not mix in mail bags eggs and chickens and butter. A man of common sense would not undertake to do it, but the power exists under the statute to make regulations to make any shipment of anything that is not perishable in its nature and might be classified by the department as fourth-class matter, and, as the gentleman from Georgia [Mr. RODDENBERRY] suggests to me, they might provide separate pouches for these various things.

Mr. FOWLER. Here is a list of fourth-class matter, taken from the Postal Guide, which I submit in support of my contention:

FOURTH-CLASS MATTER.

25. For statutory definition of fourth-class matter, see section 480, Postal Laws and Regulations.

26. Identical pieces of fourth-class matter mailed without stamps affixed. (See amended sec. 483½, P. L. and R.)

ARTICLES INCLUDED IN FOURTH-CLASS MATTER.

27. (a) Albums, photograph and autograph (blank).
Artificial flowers.
- (b) Bees (queen) when properly packed.
Billheads.
Blank address tags and labels.
Blank books.
Blank books with printed headings.
Blank cards or paper.
Blank diaries.
Blank postal cards in bulk packages.
Blank post cards.
Botanical specimens not susceptible of being used for propagation.
- (c) Calendar pads, mainly blank.
Calendars or other matter printed on celluloid.
Card coin holders (not printed).
Cards (blank).
Cards, printed playing, of all kinds.
Celluloid, printed or unprinted.
Christmas and Easter cards printed on other material than paper.
Cigar bands.
Coin.
Combination calendar and memorandum pads, mainly blank.
Crayon pictures.
Cut flowers.
Cuts (wood or metal).
- (d) Daguerreotypes.
Dissected maps and pictures.
Drawings, framed or unframed.
Dried fruit.
Dried plants.
- (e) Easter cards, when printed on other material than paper.
Electrotype plates.
Engravings, when framed.
Envelopes, printed or unprinted, except when addressed and inclosed singly with third-class matter.
- (f) Flowers, cut or artificial.
Framed engravings, pictures, and other printed matter.
- (g) Geological specimens.
- (h) Letterheads.
- (i) Maps, printed on cloth.
- (m) Merchandise samples.
Memorandum books and calendar pads, mainly blank.
Merchandise, sealed:
Proprietary articles (not in themselves unmailable), such as pills, fancy soaps, tobacco, etc., put up in fixed quantities by the manufacturer for sale by himself or others, or for samples, in such manner as to properly protect the articles and so that each package in its simplest mercantile or sample form may be readily examined.
- Metals.
- Minerals.
- (n) Napkins, paper or cloth, printed or unprinted.
- (o) Oil paintings, framed or unframed.
Order blanks and report forms, mainly blank (spaces covered by ruled lines being regarded as blank), are fourth-class matter. However, one copy may be inclosed with third-class matter without subjecting such matter to postage at the fourth-class rate. (See par. 4, sec. 474, P. L. and R., amended.)

27—Continued.

- (p) Paper bags and wrapping paper, printed or unprinted.
 Paper napkins.
 Patterns, printed or unprinted.
 Pen or pencil drawings, if they bear no written words, letters, or figures giving size, dimensions, distance, price, etc.
 Photograph albums.
 Photographic negatives.
 Postal cards (blank) in bulk packages.
 Post cards (blank).
 Printed matter on other material than paper.
 Printed playing cards of all kinds.
 Private mailing or post cards (blank).
 (q) Queen bees, when properly packed.
 (r) Record books, mainly blank.
 Rulers, wooden or metal, bearing printed advertisements.
 (s) Samples of cloth.
 Samples of flour or other manufactured grain for food purposes.
 Sealed merchandise:
 Sealed packages of proprietary articles of merchandise (not in themselves unmarketable), such as pills, fancy soap, tobacco, etc., put up in fixed quantities by the manufacturer for sale by himself or others, or for samples, in such manner as to properly protect the articles so that each package in its simplest mercantile or sample form may be examined.
 Soap wrappers.
 Stationery.
 (t) Tags (blank).
 Tape measures.
 Tintypes.
 Tobacco tags and wrappers.
 (v) Valentines, printed on material other than paper.
 (w) Wall paper.
 Water-color painting.
 Wooden rulers, bearing printed advertisements.
 Wrapping paper, printed or unprinted.
28. Permissible writing or printing upon or with fourth-class matter:
- (a) For permissible writing or printing upon or with fourth-class matter see section 483, Postal Laws and Regulations.
- (b) The written additions permissible upon third-class matter under the provisions of sections 473 and 478, Postal Laws and Regulations, may, under the provisions of section 483, Postal Laws and Regulations, be added to fourth-class matter without subjecting the latter to a higher than the fourth-class rate of postage.
- (c) The written additions permissible upon fourth-class matter may be placed upon the matter itself, or upon the wrapper or cover thereof, or tag or label accompanying the same.
- (d) A written designation of the contents, such as "candy," "cigars," "merchandise," etc., is permissible upon the wrapper of fourth-class matter.
- (e) Such inscriptions as "Merry Christmas," "Happy New Year," "With best wishes," and "Do not open until Christmas," or words to that effect, together with the name and address of the addressee and of the sender, may be written on mail matter of the fourth class, or upon a card inclosed therewith, without affecting its classification.

Mr. FOWLER. Mr. Chairman, I desire to commend the devotion which the gentleman from Tennessee, Mr. MOON, has given to this subject as chairman of the Committee on the Post Office and Post Roads. He certainly has made a sacrifice of his time and hard labor in the preparation of this bill, but I am constrained to believe, Mr. Chairman, that before many of the products of the farm could ever be moved under any bill before this House providing for a parcel post it would require an amendment to the general law providing for the establishment of post offices. If I am correct in this, then these parcel-post bills resolve themselves into this: They will give some relief to the shipper of the finished product, but none to the shippers of the products of the farm. Why make this discrimination? Why not frame a bill, general in character, which will move the product of the farm and the product of the factory alike, and on such terms as will be equitable and fair to all?

Mr. KINDRED. Will the gentleman yield for a question?

Mr. FOWLER. Mr. Chairman, of course I would like to yield to every gentleman if I had time to do so. I will yield for a question.

Mr. KINDRED. I will only take a moment. The gentleman has referred to some of the effects of the proposed limited parcel-post bill. Does he not think, also, that one of its most fearful effects, were it too limited, would be to entirely destroy the small merchants and the country shopkeepers throughout the country?

Mr. FOWLER. Probably, Mr. Chairman, it may have an indirect effect on the small merchant in the country. I am not prepared to say. They are complaining, I know, and they say it will affect their business. But that is all conjecture. I never saw a condition present itself to the American people but what they were able to adjust themselves to it; and I put the fair and square proposition now that a law which will reduce the cost of transportation of the products of the farm and the products of the factory alike will inure to the benefit of American people as a whole. It may here and there work an injury upon a few. It would be a marvel if it did not.

Mr. Chairman, I have said none of the parcel-post bills will give the desired relief to the consumer. Let us examine them

and see if this is true. All of them provide for a flat rate, and the rates most commonly agreed upon is 8 and 12 cents a pound. This means that the Government is to carry 1 pound 1 mile for 8 cents or carry it across the continent for 8 cents, without any discrimination whatever. Were the consumer interested in the long haul more than he is in the short haul, then the flat rate would be the best for us, but as we are interested vitally in the short haul, it becomes necessary in preparing a bill for either parcel post or postal express to carefully guard against excessive rates for the short haul, because nine-tenths of the transportation to the consumer is done by short hauls under 1,000 miles. The local merchant, the farmer, and the consumer have a common interest in the cheapest rates possible for the short haul, because the retail trade between the local merchant and the consumer or between the producer and consumer or the producer and the local merchant is largely transacted by short hauls. Let us examine rates for a short time.

It has been estimated that the Government pays the railroads an average of 9 cents per ton-mile for carrying the mails. Let us compare this rate with the proposed rate of 8 cents a pound on parcels up to and including 11 pounds. On close examination of the table which I submit it will be seen that 8 cents a pound is much more expensive for all distances under 1,000 miles than the rate now paid to the railroads for transporting the mails. This table has been prepared by Mr. George P. Hampton, secretary of the Farmers' National Committee on Postal Reforms. It will also be seen from this table that the proposed rate of 8 cents a pound for the long haul of 2,000 miles and more is much less than is paid by the Government to the railroads for carrying the mails, which is beneficial to the few who are engaged in the long haul—usually rich men. This table also shows that this rate is 500 per cent above the cost on the short haul and from 50 to 100 per cent below the cost on the long hauls. This discrimination against the short haul would tend to force the producer and the consumer farther apart, whereas their mutual welfare demands that they should be brought together in close proximity.

Comparison of the charges on 3, 7, and 11 pounds at various distances at the 8 cents per pound flat rate with the actual cost to the Government, showing the excessive charges above cost on the short hauls and the gross undercharges on the long hauls.

	3 pounds.			7 pounds.			11 pounds.		
	8-cent flat rate.	Government cost.	Excess charge.	8-cent flat rate.	Government cost.	Excess charge.	8-cent flat rate.	Government cost.	Excess charge.
SHORT HAULS.									
25 miles.....	\$0.24	\$0.05½	\$0.18½	\$0.56	\$0.07½	\$0.48½	\$0.88	\$0.12½	\$0.75½
50 miles.....	.24	.05½	.18½	.56	.08½	.47½	.88	.13½	.74½
100 miles.....	.24	.06½	.17½	.56	.10	.46	.88	.16	.72
200 miles.....	.24	.08	.16	.56	.13	.43	.88	.21	.67
500 miles.....	.24	.11½	.12½	.56	.22½	.33½	.88	.35½	.52½
1,000 miles....	.24	.18½	.05½	.56	.38½	.17½	.88	.60½	.27½
LONG HAULS.									
2,000 miles...	.24	.32	.08	.56	.70	.14	.88	1.10	.22
3,000 miles...	.24	.45½	.21½	.56	1.01½	.45½	.88	1.59½	.71½
3,600 miles...	.24	.53½	.29½	.56	1.20½	.64½	.88	1.78	.90

The establishment of a parcel post up to any given weight would take away from the express companies the carriage of all such packages and give the Government the monopoly thereof through the mails, which would force upon the shipper of short hauls a burden of from 500 to 700 per cent of the price paid to railroads by the Government. I cite these figures so that it may be clearly seen how unjust the flat-rate proposition is to the shipper of the short haul. In order to get at the extreme robbery which such a rate would permit on short hauls, let us take a ton and compare its cost of transportation by the Government with what it would cost under an 8-cent flat rate for a distance of 25 miles. The Government cost is \$26.25, whereas the cost at the proposed rate of 8 cents per pound would be \$160, which would impose an additional burden of \$133.75, or more than 500 per cent. To transport a ton 1,000 miles would cost the Government \$114, but to transport it by the proposed rate of 8 cents a pound would cost \$160, which would leave a difference of \$46, or about 44 per cent. By this comparison we see that the burden increases as the distance of the haul decreases. I cite the table for examination, which has been prepared by the same author who prepared the other table.

The robbery in the short haul.

	25 miles.	50 miles.	200 miles.	500 miles.	1,000 miles.
Average mail pay to the railroads per ton .	\$2.25	\$4.50	\$18.00	\$45.00	\$90.00
Collect and delivery and general expense .	24.00	24.00	24.00	24.00	24.00
Total cost .	26.25	28.50	42.00	69.00	114.00
Rate per ton at the 8 cents per pound flat rate .	160.00	160.00	160.00	160.00	160.00
Excess charges .	133.75	132.50	118.00	91.00	46.00

POSTAL EXPRESS.

Let us turn our attention to express rates. There are 13 big express companies doing an express business in this country. They pay to the railroads 47½ per cent of whatever rate fixed by them for the purpose of carriage, and they retain 52½ per cent of such rate. Practically all packages weighing less than 100 pounds have been turned over to these express companies by the railroads, so that the cost of transporting the small package may be fixed at a very high rate and divided between these two great corporations. While the railroads have nothing to do directly with making express rates, yet in making contracts for carrying express freight they require that the rate be not less than 150 per cent of freight rates on like commodities. The average express rate per ton is \$31.20, and the average freight rate is \$1.90 per ton, giving a ratio between express and freight rates of 16.42 to 1. This looks large, but when we consider that they hire all the work done and give the railroads almost half of the rate, we must conclude that the rate must necessarily be large under such conditions, and more especially when we take into consideration that their annual profits run up far into the millions. In 1910 they had a gross income of more than \$146,000,000, and after paying the railroads nearly one-half of this sum and also paying all of the cost of handling their business, they had a net income of nearly \$18,000,000. I hold in my hand a table compiled by the Interstate Commerce Commission, which I will print in the RECORD for reference.

Preliminary statement of income account and profit and loss account of the principal express companies operating in the United States for the years ended June 30, 1911 and 1910.

[The figures are compiled from the returns as rendered and are subject to revision. Amounts are shown to the nearest dollar. Entries for deficit, loss, and other reverse or negative items are distinguished by italic figures.]

Item.	Grand total—thirteen companies.	
	1911 (270,666.37 miles covered). ¹	1910 (258,128.77 miles covered). ²
INCOME ACCOUNT.		
Operating income:		
Express operations—		
Gross receipts from operation .	\$152,555,522	\$146,116,316
Express privileges—Dr .	73,956,450	69,917,562
Operating revenues .	78,599,072	76,198,754
Operating expenses .	67,670,637	61,690,473
Net operating revenue .	11,528,435	14,508,281
Outside operations—		
Revenues .	263,151	151,275
Expenses .	250,034	140,748
Net revenue from outside operations .	13,117	10,527
Total net revenue .	11,541,552	14,518,808
Taxes accrued .	1,315,201	1,126,726
Operating income .	10,226,352	13,392,082
Other income:		
Separately operated properties—profit .	130,616	146,647
Dividends declared on stocks owned or controlled .	3,268,915	2,037,734
Interest accrued on funded debt owned or controlled .	1,643,564	1,515,015
Income from other permanent investments .	406,947	548,308
Miscellaneous income .	859,314	1,386,089
Total other income .	6,309,355	5,633,792
Gross income .	16,535,707	19,025,874

¹ Represents 243,721.41 miles of steam roads; 7,291.94 miles of electric lines; 18,939.65 miles of steamboat lines; and 713.37 miles of stage lines.
² Represents 237,868.21 miles of steam roads; 6,608.79 miles of electric lines; 12,820.15 miles of steamboat lines; and 831.62 miles of stage lines.

Preliminary statement of income account, etc.—Continued.

Item.	Grand total—thirteen companies.	
	1911 (270,666.37 miles covered).	1910 (258,128.72 miles covered).
INCOME ACCOUNT—continued.		
Deductions from gross income:		
Separately operated properties—loss .		
Interest accrued on funded debt .	\$320,239	\$360,581
Other interest .	175,537	89,827
Sinking funds chargeable to income .		
Other deductions .	172,357	86,909
Total deductions from gross income .	1,168,134	1,037,316
Net corporate income .	15,367,572	17,988,557
Disposition of net corporate income:		
Dividends declared from income .	5,848,083	5,928,104
Additions and betterments charged to income .	30,941	47,562
Appropriations to reserves .		50,000
Miscellaneous appropriations .		3,000
Balance for year carried forward to credit of profit and loss .	9,488,548	11,959,891
PROFIT AND LOSS ACCOUNT.		
Credit balance at beginning of year .	59,215,601	50,525,229
Credit balance for year brought forward from income account .	9,488,548	11,959,891
Net of miscellaneous additions to and deductions from profit and loss (credit) .	805,430	23,506,207
Dividends declared from surplus .	8,496,960	26,775,727
Credit balance carried to balance sheet at end of year .	59,401,759	59,215,601

While these profits are very high and most unreasonable, yet the rates now fixed by the express companies are much less than that proposed by the parcel-post bills now before Congress. There are two rates most commonly favored by these bills, to wit, 8 and 12 cents a pound for all distances. The average distance express packages are carried is 196 miles, according to the best information. Now, let us compare the cost of carrying packages from 1 to 11 pounds the average distance by express companies with the cost of carrying the same packages the same distance under the flat rates of 8 and 12 cents a pound. The following table has been prepared upon a haulage distance of 196 miles:

Table comparing parcel-post rates with express-company rates.

	Parcel-post rates.		Express-company rates.
	12 cents per pound.	8 cents per pound.	
1-pound rate .	\$0.12	\$0.08	\$0.10
2-pound rate .	.24	.16	.16
3-pound rate .	.36	.24	.24
4-pound rate .	.48	.32	.32
5-pound rate .	.60	.40	.40
6-pound rate .	.72	.48	.45
7-pound rate .	.84	.56	.45
8-pound rate .	.96	.64	.45
9-pound rate .	1.08	.72	.45
10-pound rate .	1.20	.80	.45
11-pound rate .	1.32	.88	.50
Total .	7.92	5.22	3.97

¹ If prepaid the express companies will carry books at 2 ounces for a cent, minimum 10 cents, and merchandise 1 ounce for a cent, minimum 15 cents, to any point on their lines, up to the postal weight limit on such classes.

The express rate now charged is \$31.20 a ton; the 8-cents-a-pound postal rate would cost \$160 a ton; and the 12-cents-a-pound postal rate would cost \$240 a ton. It will be readily seen that a parcel post based on either of these rates will give but little, if any, relief. The 12-cent rate is higher than the express on all the packages of 11 pounds and less, while the 8-cent rate is less on 1 and 2 pound packages only.

Mr. Chairman, nearly all of the civilized countries have worked out the economic question of the transportation of the small package and are giving to the citizen the advantage of a very low rate. In other words, they have engaged in the express business under national supervision and carry and deliver the small package as mail, which is denominated postal express. This system gives a rapid and cheap transportation both from

the farm and factory to the consumer. I submit the following table to show the low ratio between the express rates and the freight rates in 11 of these countries, including the United

States, so that her extreme high express rate may be compared with the very low rates in countries where they have established postal express:

Comparison of express rates with freight rates.
[All data have been taken from original railway reports of the countries named.]

Countries.	Year.	Express.				Freight.				Ratio express charges to freight charges.
		Tons.	Receipts.	Average journey (miles).	Average charge per ton.	Tons.	Receipts.	Average journey (miles).	Average charge per ton.	
Argentina.....	1909	534,704	\$3,384,151	93.7	\$6.51	34,270,113	\$67,115,568	121.0	\$1.95	3.2 to 1
Austria.....	1908	1,633,276	6,169,612	63.9	3.77	158,031,039	117,839,732	58.0	.738	5.0 to 1
Belgium.....	1909	724,481	3,565,509	49.4	4.92	59,551,766	31,348,583	49.4	.526	9.3 to 1
Denmark.....	1909	53,595	294,273	72.9	5.49	5,238,109	4,507,325	53.0	.871	6.3 to 1
France.....	1908	2,741,931	18,873,400	75.7	6.88	160,825,570	154,366,000	75.7	.953	7.2 to 1
Germany.....	1908	4,424,593	16,873,455	67.3	3.80	504,062,818	382,400,802	61.6	.758	5.0 to 1
Hungary.....	1908	708,778	2,614,640	70.9	3.68	57,880,670	54,045,502	70.9	.933	3.9 to 1
Netherlands.....	1908	109,976	267,161	50.3	2.43	4,635,492	3,114,578	69.8	.673	3.6 to 1
Norway.....	1909	161,334	306,667	48.5	1.90	5,820,490	2,859,878	34.0	.491	3.8 to 1
Prussia.....	1908	2,779,626	12,018,942	84.2	4.32	314,848,543	273,617,562	69.3	.808	5.0 to 1
United States.....	1909	*1,139,074	*35,477,111	(*)	31.20	881,334,385	1,677,614,678	251.0	1.90	16.42 to 1

* Delivers express matter to consignees.

* Includes three months only—April, August, and December.

* No data.

Argentina: Estadística de los Ferrocarriles en Explotación, Tomo XVIII, 1909. Buenos Aires, 1910. See p. 87, cols. 36 and 6; p. 93, cols. 102 and 111; p. 196, cols. 13 and 15.

Austria: Oesterreichische Eisenbahnstatistik fuer das Jahr, 1908. 1 Teil. Hauptbahnen und Lokalbahnen, Wien, 1910.

Belgium: Chemins de Fer, Postes, Télégraphes et Marine, Partie A: Chemins de Fer, 1909. See pp. 36 and 110 Petites marchandises et Grosses marchandises.

Denmark: De Danske Statsbaner, Beretning om Driften, Aaret fra 1ste April, 1909 til 31ste Marts, 1910 (pp. xii, xiii, xiv).

Germany: Statistik der im Betriebe befindlichen Eisenbahnen Deutschlands, Band XXIX, Rechnungsjahr, 1908. (Table IX.)

Hungary: Archiv fuer Eisenbahnwesen, 1910, in "Die Eisenbahnen Ungarns im Jahre, 1908."

Netherlands: Statistiek van het Vervoer op de Spoorwegen en Tramwegen in Nederland over het jaar 1909. (Figures for all railways not stated.)

Norway: De Offentlige Jernbaner, Norges Officielle Statistik V. 107. Beretning om de Norske Jernbaners Drift, 1 April, 1908-30 Juni, 1909. (Tables II and III.)

France: Archiv fuer Eisenbahnwesen, 1909, in "Die Eisenbahnen Deutschlands, England und Frankreich von 1903-1905."

Prussia: Bericht ueber die Ergebnisse des Betriebes der vereinigten preussischen und hessischen Staatsbahnen in Rechnungsjahre, 1902, Berlin, 1911. (Express includes subheadings under I, 1 and II, 1 pp. 80 and 81.)

These figures show that the express rates in this country as compared with our freight rates stand as 16.42 stands to 1. Argentina is the only country in the list with a higher freight rate than the United States, yet her express rate is 3.2 to 1, which is only about one-fifth as high as ours. Our express rates could be cut in two, 8.10 to 1, and be the highest in the list except Belgium; such a rate would give us a decent postal express with an opportunity to move the small package from the producer readily to the consumer.

In order to show what is moved in Germany through the postal express, I submit the following extract from Senate Document No. 379 of this session of Congress:

CHEAP AND QUICK TRANSPORTATION MAKES FOR GENERAL PROSPERITY.

How much the parcel post has meant in the past, how much it means now, and how much it is to mean in the Empire's marvelous development will never be known till some German Mulhall makes its work the subject of a brilliant special monograph. From the far-off shores of Heligoland and the North Sea fishing villages, the products of the deep are collected, carried across a large part of the Continent, and delivered, the service extending to the confines of Bohemia or even to Austria and Hungary, for there is a postal arrangement between the two Empires that admits all the benefits of the one to the citizens of the other. From the seaport cities come the bananas, oranges, lemons, pineapples, coconuts, the rich spices of the East, the finer fibers and textiles of Persia, India, China, and Japan; from Switzerland come the rich dairy products and marvelous honey gathered from its mountain flowers, a honey as rich as that of Hymettus; from the Rhine lands the wines are sent in baskets far beyond where the vine will grow; out of the south, by Botzen, on the hills near Innsbruck, and along Lake Garda go fruits and flowers to Berlin and Breslau, Königsberg, Danzig, and Stettin. A message by wire, in case of a run on fruits or flowers, will be filled in 24 or 48 hours—the entire order, including the telegram, costing from 25 cents to \$1, the latter price being exceptional, incurred only when the parcel exceeds 50 pounds. Under the 11-pound policy for 12 cents enormous shipments have been made and are being made. This rate is the popular one.

Mr. Chairman, what the postal express has done for other countries it will do for us, and I am inclined to think it is the proper solution of this question. What we need is some method which will give a low rate with a rapid transportation of the small package, say from 100 pounds and below, from the farm and the factory alike to the consumer. If such package could reach us free from the taint of plunder and exploitation, it would materially reduce the high cost of living. We are equipped throughout the country with a system of rural-route deliveries of mails, and if either a parcel post or a parcel express is established, deliveries of the small package could be made readily by increasing the force as the business increases.

Mr. Chairman, good roads, rural delivery, and parcel post or postal express, are so intimately connected with each other that the consideration of the one necessarily invokes the presence of the other two. All three of these questions have their enemies on the floor of this House and elsewhere in the money centers, because the maintenance of any or all of them will require the expenditure of large sums of money. The country people are looked upon by these gentlemen as being too common

to receive legislative consideration for their relief, especially if large sums of money are required to be appropriated therefor. I can not agree with these gentlemen. I favor the widest latitude in the extension of all three of these modern uplifting influences in every State in the Union. This Government belongs to the people and they have a right to say how its powers shall be administered. The voice of the intelligent many is superior to and more stable than the will of the selfish few. I am not in sympathy with that national policy which advocates riches and luxury for the few and poverty and misery for the many. No man is worthy of any rights which he claims for himself unless he is willing to concede the same to all others. The farmers and employees in the factory and mines are the producers of wealth, and should be given an equal opportunity with the rich for intelligence and happiness in this life.

Labor has always had its enemies in every country and every clime. When King Darius learned that Athens had captured and burnt Sardis, a city of his kingdom, he called for his bow, placed an arrow on the string and shot it high up in the air, then turned his face toward heaven and exclaimed, "O Supreme God, grant me that I may avenge myself on the Athenians." And when he had said this he appointed one of his servants to say to him every day as he sat at meat, "Sire, remember the Athenians." The same spirit is abroad in the land to-day. Every time labor seeks legislation for relief, some selfish fellows are ready to invoke high heaven for strength to avenge themselves on labor. When the light of civilization dawned upon mankind the labor of the world was in abject slavery. The lords and masters owned the laborer as chattels, with power to sell or kill him at pleasure. They were despised and regarded as animals and kept under bondage for centuries.

None of the ancient republics were free enough to eliminate slavery. When Athens was in her palmiest days of democracy her slaves were abundant. When she reached a population of 200,000 people it is said that she had 179,000 slaves. Ancient Rome was likewise cursed with slavery. When she reached her greatest perfection as a republic more than two-thirds of her population were slaves. Out of a population of 90,000,000 people she had more than 60,000,000 slaves.

But as the love of liberty was planted in the bosom of the slave by his Creator he followed his instinct and fought for his freedom. The first victory gained by him raised him a degree above the slave with the denomination of serf, which bound him to the soil, and when the land was sold by his master, while he was not in terms sold, yet he passed with it. The laborer always remained on the land and was not permitted to depart therefrom. He was not only required to cultivate the soil, but he was often required to fight the battles of his master and his lord, and when the feudal system was inaugurated he stepped one step higher and became a servant, with some property rights for the first time in the history of the

world. After the advent of Christ, the influence of the brotherhood which he established among men, teaching that all men were created in the image of God, the servant by his struggle for freedom became the intelligent employee and citizen of the country, with equal rights with every other man of the country. [Applause.] Yet this relic of barbarism still lingers about the haunts of the rich and they never miss an opportunity to show their displeasure and use their influence against any movement to better the condition of the tolling masses. Every upward step which has been taken by labor has been dearly paid for by the blood of innocent men struggling for liberty. The same fight must be made to-day as it has ever been made in the past, with this difference, I trust, that the sword may find its final resting place in its sheath on the wall and the battles of the future may be waged in words tempered by the Golden Rule, "Do unto others as you would have them do unto you."

Labor has always stood on the firing line bravely fighting the battles of civilization, whether in times of peace or in times of war. When the Nation called for soldiers to put down insurrection at home or to drive back the invading enemy, honest labor voluntarily answered the call from the farm, mine, and the workshop, while the rich waited for the draft, and then with their gold hired substitutes. Labor has built log huts on the frontier, bravely faced the danger of deadly climates, and endured the ravages of wild beasts and savage men in order that howling wildernesses might be converted into fertile fields of plenty, while the rich man has followed along after him with his gold and reaped the profits of his labor. Labor has constructed highways across continents, built the railroads and steamships of the world, dotted every clime with factories for the finished product, and bravely operates and manages every enterprise for the production of the raw material, for its conversion into the finished product, and for its final transportation to the consumer. He is still on the firing line with the brawn of his muscle and in the sweat of his face supplying mankind with food, raiment, and shelter. His labor is the source of all productive wealth, and yet all that he has received therefor is a meager living for himself and family. All the profits of his toil have been divided among his rich masters.

Mr. Chairman, I am not in sympathy with the idea that nothing should be done to help the country people for fear that it might increase the value of their property and better their condition. God bless the honest, sturdy yeoman of this country, with the hollyhock blossoming in his front yard and the morning glory twining about the door of his humble home. [Applause.] It is from his family that we get honest men to place upon the judicial bench of America. From these lowly walks men of courage have risen to lead the armies and navies of the world to glorious victories in causes of right and justice. Such families have furnished the best statesmen of the world, who have bravely marched into halls of state, rescued from the mailed hand of imperial power the rights of men, and securely enacted them into wholesome laws. [Applause.] From the ranks of the honest, sturdy, poor, pure men have sprung forth full fledged in qualities of heart and soul, and have steadily marched onward from the country cottage to the White House, and with policies of far-reaching statesmanship have directed the forces which have molded and shaped the destinies of this Republic. [Applause.] A community of such great moment ought to receive the fair consideration of every legislative body of the country, and until we give it that consideration which its importance demands we will not have dealt out to the country people their just rights. [Applause.]

Mr. GARDNER of New Jersey. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. AINEY].

Mr. AINEY. Mr. Chairman, I am in accord with the measure which proposes that the Federal Government pay a just rate per mile for its use of certain roads in rural districts upon which the mails are carried.

I am also in favor of the broadest measure, whether it be called parcel post or parcel express, bringing to rural districts the advantages of prompt and ready transportation of small packages of merchandise at the lowest rates consistent with good and economical administration.

I am endeavoring from the discussion of the several parcel-post and parcel-express bills to weigh carefully their merits and defects with the sole purpose of supporting such measure as promises to the people of my district, and to the country at large, the fullest and most comprehensive system. I do not expect at this time to discuss the technical features of these bills, but prefer to establish a viewpoint, if you please, from which the needs for this kind of legislation may be observed and therefrom determine the best measure to be adopted. The problems of conservation have deeply interested the people of the country, and laws relating thereto, as applied to our forests, our water powers, and our mineral lands, have been adopted,

but none of these are worthy of more careful consideration than the conservation of the American farm or the preservation of the American farmer.

The statistics which confront this Nation show that the American farmer is fast disappearing. At the beginning of this Government the rural population was 96 per cent of the whole; in 1850 it was 87 per cent; in 1890 it was 60 per cent; and in 1910 it had decreased to but 54 per cent.

This immense change in proportions is not nearly as startling as the fact that, notwithstanding the large increase in general population within the last 20 years, the rural population has actually decreased in nearly all the older settled districts, and the census figures just coming to my desk show that the farming localities have suffered loss in population during that period of time of from 25 to 33 per cent. This is noticeable in every rural community in the old Wilmot-Grow district of Pennsylvania, which I have the honor to represent.

Here is an economic situation of transcendent importance. It must be considered not only from the standpoint of the farmer, but of the public's need of him. I do not hesitate to say I view it from both.

No class of people have contributed more unselfishly to the public welfare. Whether in war or peace, the American farmer has followed and revered the flag. He has sent out strong, high-minded, and purposeful sons and daughters, whose keen minds in sound bodies have contributed to the business and professional activities in every walk in life.

This revelation of the census is a cause for national alarm, and is well worthy most careful thought if haply a solution may be found.

In the early days of this Nation the farmers were the chief citizens of our country, and I rebel against a modern conception which, from a position of assumed superiority among the people of the cities, proposes to place them among the unenlightened and less important of our national populace.

Indeed, I was much astonished to hear my distinguished colleague, the gentleman from Philadelphia [Mr. Moore], for whose opinions I have high regard, and who I regret is not here this afternoon, while speaking on this measure, after advertising to the fact that he was country born and would like to go back to the farm, say that he had urged the dwellers in the alleys and streets to go to the country. The problem can not be solved by such a low conception of the country's need.

The American farmer of to-day is not of the "alley" class. He is the best-read and thoroughly posted man upon current topics and affairs of the day. He takes the best magazines and reads the best books. His ethical conception is clearer and his judgment less warped by selfish purposes than almost any other class. His ideals are high and his instincts patriotic. The very nature of his employment makes him contemplative, and because thereof in the busy whirl of a rushing age he is a great conserving power and influence leading to national safety.

The dweller in the city has with avidity seized upon the modern inventions and forced them to pay tribute to his daily comfort and pleasure. The telephone, exceptional mail and transportation facilities, harnessed heat, light, and electricity are made to do his bidding. These with his thousand and one educational and inspirational advantages are now his necessities.

He forgets that his brother of the plow—his companion of former days—is still his equal with aspirations and ideals to be realized. He overlooks the fact that the farmer has also advanced with the age, and for his family, his boy, or girl, his outlook on life is broadened; that he, too, demands some of the conveniences, now necessities, which the Government has long since and at great cost given the city.

There are problems not easily solved by legislation. The farmer is the one man who does not fix the price upon anything he buys or sells. The other man controls both ends of the bargain, whether it be eggs or coffee, butter or sugar, produce or clothing.

Can the Nation afford to lose the farmer? How about the high cost of living then? How about it now?

The farmer has not been importunate. He has looked with no envious eye upon the legislation which has ameliorated the condition of his companion in toil, the wage earner in shop or on railroad, but now the day has come when the farmer will not be content to see the children of his heart, with equal capability of mind and body, handicapped by the privations and inequalities of the country, but he will send them to the city, and then the farm loses its best asset.

What is your solution? Intensive farming? Agricultural schools?

I admit the marvelous advances made in these directions and the splendid contributions of the Department of Agriculture to that end.

The man on the farm must have the transportation problem solved for him as it has been solved for the resident of the city. He must be in quick reach of market and supplies, of church, school, store, and doctor. He must be able to economize in time and material.

Environment is of vital importance, and good roads and an accessible market are fundamental.

We are told that more freight is hauled over public roads than on railroads; that the cost of hauling on our American roads is 23 cents per ton-mile as against 11 cents in England, 10 cents in Germany, and 7 cents in France. Surely this is a strong argument for better roads.

Opposition is made to parcel post because of the great expense, and rural free delivery, with its cost of \$37,000,000, is pointed out. Even with such a large sum, three times that amount was expended for the city mail conveniences. Six hundred million dollars has been expended for improvement of waterways and harbors; \$200,000,000 for public buildings in cities. Less than one-fifth the latter amount would provide an adequate parcel post or parcel express under any of the proposed bills.

Suppose the cost is large, the American farmer is worth while, whether viewed from an economic, ethical, social, or political standpoint.

The home is the real basis of our national life and safety, and the farmer is the natural conservator of the home. Let his home be surrounded by and accessible to the modern conveniences which annihilate time and distance—good roads, rapid transportation of mail, merchandise, and persons—and then with the modern scientific education open to every farmer boy of the land you have in large measure solved the problem. [Applause.]

Mr. MARTIN of Colorado. Mr. Chairman, before the gentleman from Pennsylvania [Mr. AINEY] takes his seat, I would like to interject a very brief observation into his remarks touching the large amounts of money that have been appropriated for rivers and harbors and public buildings. I had occasion to brief up river and harbor appropriations somewhat, and I was interested to find in the early messages of the Presidents touching internal improvements that roads were mentioned and recommended for Federal appropriations along with and nearly as frequently as rivers. Indeed, there are a number of the messages of the Presidents in which you will find the term "roads and rivers" mentioned together; but in some way or another roads seem to have been dropped out and we continue to appropriate for rivers.

Mr. MOON of Tennessee. Does the gentleman from Colorado [Mr. MARTIN] want to use some time now?

The CHAIRMAN. The time of the gentleman from Pennsylvania has not expired, and the gentleman from Colorado interrupted the gentleman from Pennsylvania in the latter's time.

Mr. MARTIN of Colorado. I just interrupted him there in order to make that statement.

Mr. AINEY. I desire to yield back the portion of time I did not occupy.

The CHAIRMAN. The gentleman from Pennsylvania has occupied 12 minutes.

Mr. MOON of Tennessee. Mr. Chairman, does the gentleman want any time now?

Mr. MARTIN of Colorado. Yes, sir.

Mr. MOON of Tennessee. I yield 10 minutes to the gentleman from Colorado.

The CHAIRMAN. The gentleman from Colorado [Mr. MARTIN] is recognized for 10 minutes.

Mr. MARTIN of Colorado. Mr. Chairman, I first wish to make a little clearer the suggestion that I made to the gentleman from Pennsylvania [Mr. AINEY], that it appears in the early history of the country, as I find from messages of the Presidents, the matter of improvement of roads was dealt with in those messages quite as frequently as the improvement of rivers. In other words, I frequently found the recommendations for the improvement of roads and of rivers coupled together. It seems, however, that in later times there were no references whatever to roads, but altogether to rivers; and I favor the Shackelford good-roads amendment for the reason, among others, that if it becomes law we will only be restoring roads to their ancient place, along with rivers, among internal improvements, which is the only way the Government may do equity to those sections of the country having no navigable waters.

THE PARCEL POST.

Mr. Chairman, the pending postal appropriation bill, under the special rule adopted by the House, which permits the amendment of the bill by adding thereto the parcel-post and postal-express legislation, marks an epoch in the progress of this Government in the service of all the people.

With three exceptions this special rule permits the engrafting upon the pending bill of the most important and beneficial legislation enacted by the American Congress in the past 30 years. The three exceptions to which I refer are the Sherman antitrust, interstate-commerce, and income-tax laws. The importance of those three measures is attested by the fact that the first two—the Sherman antitrust and interstate-commerce laws—are furnishing the Federal courts of the United States, and more especially the Supreme Court, with the bulk of the most important work of the judicial department of this Government; and the importance of the third measure is attested by the fact that the 48 States in this Union will by three-fourths majority shortly ratify an income-tax amendment to the Constitution of the United States, thereby reversing the decision of the Supreme Court of the United States, in which it held the income tax unconstitutional and which decision was itself a reversal of the uniform decisions of that tribunal throughout the entire history of this Government.

Mr. Chairman, it is true that so far as results in the way of tangible benefits to the people of the country are concerned, the Sherman antitrust and interstate-commerce laws and the income-tax amendment amount as yet to no more than declarations of principle, but the soil is being prepared and the seed sown against the day when the people of this country will come into their own and when the burden will be transferred from the backs of the people to the backs of the private interests, which are the greatest beneficiaries of government, but which have thus far prevailed against every effort to curb, regulate, and make them what they ought to be—the servitors of the common good.

As affecting the postal department of the Government there are two general propositions presented by the pending amendments, the establishment in a very limited degree of the parcel post and the taking over by the Post Office Department of the express business. I can consider these propositions only in a general way in the brief time allotted me.

I want to say at the outset that I am for a genuine parcel post in this country, including the transaction by the postal department of the business now handled by private express companies.

It would be a waste of time at this late day to argue the great success of the postal department of this Government. If a public man were to propose its transfer into private control he would not be denounced as a public enemy; he would be laughed at as a fool; and if he proposed to curtail its functions or its service in any particular he would be driven from public life. Not so great a mistake, but none the less a mistake, would it be to assume that this great arm of the public service has reached its maximum development. On the contrary, the time is almost if not quite ripe for a substantial increase in the postal service, not by way of the creation and addition of new and strange functions, but by the enlargement and extension of functions already existing.

In this connection I wish to read into my remarks a copy of a letter which has left my office almost daily, addressed to one or more of my constituents, for the past two years. Before I read it I want to say that it is somewhat in the nature of an experiment. Everyone knows the extreme diversity of popular views on the question of the parcel post. In one letter a Member receives a resolution adopted by a board of trade in some town in his district, saying that if a parcel post is established it will absolutely ruin them. I receive such letters as that, with no qualification whatever. "Establish a parcel post and we will be absolutely ruined." In the same mail, perhaps, you get a letter from some individual or farmers' or labor organization demanding a parcel post before all other legislation that can be given them at the hands of Congress.

I therefore resorted to the unique experiment of framing up a stock letter, which I send to all comers, whether for or against the parcel post. I do not know how that system will work out as a vote getter. I am not looking for any votes this fall, and can not demonstrate it. But I have made it a practice thus far in my brief public career never to be on both sides of any question, and particularly never to be on both sides of it at the same time. The letter is as follows:

DEAR —: I am in receipt of so many communications for and against the parcel post that I find it necessary to compose a set letter to be sent to all communicants.

I believe that every improvement and extension of the means of transportation and communication build up our civilization as a whole and in all its parts and stimulate and increase business and all social intercourse. I do not believe the parcel post will affect our local communities except in the same way that they have been affected by railways, telegraphs, telephones, the postal system, free delivery, rural routes, etc.

As a matter of fact, we already have a parcel post limiting the weight of the package to 4 pounds in the domestic mails at 16 cents per pound and to 11 pounds in the foreign mails at 12 cents per pound. Any parcel-post legislation, therefore, must deal merely with the question of changing the size of the package or the postage rate or both.

To this end there are many bills pending, the different features of which I can not undertake to discuss in the compass of a letter. I can only say that I am in favor of progressive legislation along mail-service lines, which shall include both the enlargement of the package and the reduction of the rate. And I shall not look to see this enlargement of postal facilities injuriously affect the smaller localities, because trade is reciprocal. It is an old and invariable rule that the increase of facilities leads directly to increase of use, but I shall look for this rule to work both ways in the case of the parcel post and build up the local merchant even more than it pulls him down, just as is proving to be the case with banking in relation to the postal savings bank. The merchant is in the shipping business, and I firmly believe that he will send and receive more packages by mail than all his customers combined. Furthermore, this extension of the mail service, like the postal savings bank, will come gradually and almost imperceptibly take its place among the agencies that build up and bless civilization, which I firmly believe will be its principal result.

Very truly, yours,

Mr. Chairman, the time has arrived when we may pass from general statements of principle to concrete propositions such as are presented under the rule in the pending parcel-post amendments.

There are three parcel-post propositions presented in the pending bill; that is, in the amendments that will be permitted to be offered in connection with this bill under the rule.

GENERAL PARCEL-POST COMMISSION.

I shall not discuss the third proposition, because it merely calls for a general parcel-post commission to investigate and report upon the question of establishing a general parcel post in the United States, to which there can be but little objection, except, perhaps, the objection that it would cause unnecessary delay. The commission proposition seems to be pretty popular nowadays, and it seems to be more popular with the people and the interests that are opposed to any given legislation than with those who are in favor of it. They will get another lease of life through a commission, so that as a last resort, when they can not stave off action in any other way, they recommend a commission to investigate and report upon it.

I want to say, however, that this observation and others that I shall make are not to be taken as in criticism of the committee, because I believe that the present Committee on the Post Office and Post Roads is deserving, above all such committees in the history of this country, of the commendation of the people of the country.

I want to say further, Mr. Chairman, that this Committee on the Post Office and Post Roads has made a real start. When in the history of Congress have there been such subjects of debate on pending legislative propositions as we now find before this House as a result of the action of the present Committee on the Post Office and Post Roads? They have moved a decade in this session of Congress. They have caught up, crystallized, and put into concrete propositions of legislation ideas which have been agitated in this country for a great many years.

Mr. STEENERSON. As I understand it, the gentleman believes in riders on appropriation bills?

Mr. MARTIN of Colorado. I believe in riders on appropriation bills if I can not get the legislation in any other way.

Mr. STEENERSON. Does the gentleman contend that this legislation could not have been brought in here in some other way?

Mr. MARTIN of Colorado. I do not believe in hiding behind the technical objection that a thing is new legislation engrafted upon an appropriation bill. The gentleman knows just as well as I do how difficult it is for any legislation, no matter how pressing, to get the right of way in this House.

Mr. RODDENBERRY. Or the Senate.

Mr. MARTIN of Colorado. Revenue and appropriation bills take up the greater portion of the time. Why, Mr. Chairman, I am a member of the Interstate Commerce Committee that has framed the most important piece of legislation, so far as the world is concerned, that this Congress can enact, and that is the Panama Canal legislation. Our able chairman [Mr. ADAMSON] has been fighting for weeks to get that bill before this House, and the head of the Panama Canal Commission is criticizing Congress to the world for failure to enact that legislation for which the shipping interests of the world are clamoring, and we may have to stick that into an appropriation bill in order to get an opportunity to consider it before the end of this Congress.

Mr. STEENERSON. The gentleman does not believe in riders on appropriation bills as a general rule? It is only where there is an exigency, as I understand it, that he believes in that sort of legislation.

Mr. MARTIN of Colorado. I might not want to enact all new legislation in that way, but I am not going to find any quarrel with the opportunities which have been presented to us on this bill to get this legislation, which, in my judgment, is the most beneficial that this Congress can possibly enact.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOON of Tennessee. I yield to the gentleman five minutes more.

APPLYING FOREIGN WEIGHT AND RATE TO DOMESTIC MAILS.

Mr. MARTIN of Colorado. The first proposition in the pending amendments applies the foreign postal weight and rate to the domestic mails. It now costs 16 cents a pound to send fourth-class matter by mail from any point to any point in the United States, and the weight of the package is limited to 4 pounds, while a package up to 11 pounds may be mailed at the rate of 12 cents per pound from any point in the United States to any point in 23 foreign countries. If the provision in the pending bill becomes law, the foreign weight and rate will be applied to the domestic mails.

So far as I can determine, this provision would remove an anomaly in existing postal regulations, without any substantial benefits to the people. I do not know of any haul in this country in which this provision offers any advantage over present express rates. Indeed, I doubt if there are any hauls upon which existing express rates would not be cheaper, and in the great bulk of cases very much cheaper. So far, then, as benefits are concerned, this provision will be ineffective.

RURAL PARCEL POST.

The second proposition establishes a limited rural parcel post, under which fourth-class matter in parcels not exceeding 11 pounds may be mailed from any point to any point upon the rural route upon which it originates, at 5 cents for the first pound and 2 cents for each additional pound, which would fix the cost of the maximum 11-pound package at 25 cents.

It appears to be the consensus of opinion that this provision will result in a marked increase of business on the rural routes, which means that it will be a substantial benefit. As this traffic will largely be from the local merchant to his patrons upon the rural route, it is a singular and significant fact that the merchants in the towns and villages in which rural routes originate are as much opposed to the rural parcel post as to the general parcel post, this opposition being due to the fact that the former is considered as the forerunner of the latter. This assumption, I believe, is correct, but I make the prediction that once the rural parcel post is established and in operation, a Representative would no more dare to propose its abolition than he would to propose the abolition of the rural route itself. The telephone and the parcel route would bring the farm to the town and the town to the farm, and neither town nor farm would consent to dispense with or limit either of these beneficent services.

I am in favor of these two propositions in so far as they recognize, enlarge, and promise to carry out the existing great principle of the postal service, but I reserve the right to vote for a general parcel post at this time should such a proposition be offered, and I apprehend it will, when the parcel post section is reached for amendment under the five-minute rule.

GENERAL PARCEL POST.

The principal general parcel-post proposition now pending in form of a bill, I am advised, is one fixing the top weight at 11 pounds and the rate at 8 cents per pound. The principal objection to this and other parcel-post legislation, which I have heard raised, is that, like the 12-cent rate, it would be taken advantage of by the express companies, just as the present postal laws and conditions are taken advantage of, and the express companies would handle the profitable short-haul traffic, leaving the Government to handle the unprofitable long hauls; although this measure, in common with the pending amendments, is subject to the objection, and I emphasize this point, that it is limited to what is now known as fourth-class mail matter, which embraces a very limited number of articles, practically none of which are produced on the farm. Thus we will have a rail parcel post which, as to the limited number of things carried, can not, except as to the longer hauls, compete with the express companies, and a rural parcel post which will operate only one way, and this as to a limited number of articles of merchandise, from the town to the farm.

THE POSTAL EXPRESS.

I come, therefore, to the postal-express provision reported by the Interstate Commerce Committee, known as the Goeke and Lewis bills, which not only answers but completely removes these objections by abolishing the express companies and fourth-class mail limits, and offers to the people of this country a genuine parcel post, already in existence, but existing only for the benefit of its stockholders.

I take off my hat to the inventor of the express business. He was a genius, who made something out of nothing. If you can rent an office, hire a team and wagon, and get a contract with a railroad company, you have an express business already organized; and if you can rent enough offices, hire enough teams and

wagons, and get enough railroad contracts you have got a monopoly of the express business. There is less capital and more profit in the express business than any business I ever heard of; in fact, the express business is no capital and all profit. The express business is a parasite, pure and simple. It consists of four factors, three of which—offices, horses and wagons, and railroad contracts—are simple, and one of which—rates—is multiplex and complex beyond the understanding of any but an interstate-commerce expert. These three simple added to this one compound and mysterious element have been able to produce a system of transportation in the United States just sixteen times more costly to the people than freight, and so profitable to its owners that it repays the actual investment annually, which accounts for the fact that among its assets have been listed objects of value ranging all the way from skyscrapers down to easy bosses.

The real question ought not to be whether we will put this parasite out of business and to that extent simplify the great transportation problem in the United States, but whether we ought to pay for its office fixtures, horses, wagons, and contracts. In view of the fact that the Government would have to purchase some of the facilities now used in the express business and for the sake of peace, as well as being averse to the uncompensated destruction of any legitimate investment even by indirection, I, as a member of the Interstate Commerce Committee, voted to report favorably the pending proposal to condemn and take over the contracts, equipment, and other property necessarily and properly used by the express companies of the United States in the express business, said business to be hereafter conducted as part of the postal service of the United States.

Express transportation is a necessity conducted as a luxury. It is almost as much a medium of transmission from individual to individual as is the United States mail, but its cost is practically prohibitive. Because of this fact it is used once where it ought to be used many times. In addition, it has only very limited zones of delivery from its distributing offices. It has no rural deliveries at all, and even in the cities one must reside within a certain radius in order to have express parcels delivered. By the average person the express business is regarded and avoided as a skin game, which, in truth, it is. It occupies a twilight zone between the postal and railway service, existing as a leech upon the former and as a feeder to the latter.

It has been complained of the postal service that at times its rates upon one class of mail matter or another were reduced so low as to cause the business as a whole to be conducted at a loss, but no such charge as this can be brought against the express business. That the postal service has been a losing business venture is not true in a proper sense. At times marked reductions in the charge for service have brought temporary shortages of revenue, but aside from the fact that these temporary shortages were in the interest of the people, the growth of business induced by the lower rate has eventually balanced the scale of receipts and expenditures and the postal service is at this time upon a self-sustaining basis, with the agitation growing in favor of still further reductions in first and fourth class mail rates.

There should be no question of loss involved in the taking over of a class of matter so highly profitable as the express business. The postal service, taking over this kindred business, will be able to operate it much cheaper than a dozen separate and distinct express companies. The Government may not only heavily cut the cost of operation, but it may lop off the exorbitant profits. The result ought to be a greatly enlarged and cheapened use of the service, and still upon a self-sustaining basis.

I have not made the kind of study of this subject which enables me to speak in tables of figures. A fellow lawyer has said that the practice of law nowadays is not the study and application of fundamental principles but the matching of cases; that it is not so important to know what the law is as where to find it. So the modern lawyer is always looking for what is known to the profession as the "cow case," something on all fours with the particular trouble on hand. And it is a good deal the same in lawmaking. Instead of looking out over the field of human activities and studying and reasoning from what we see, we rush to books and documents for tables of comparisons and schedules of figures out of which to reconstruct or create systems. Without despising the use of figures which, touching this legislation, I must leave to those who have made a statistical study of it, I look out over the land at the great postal service of the country, with its official head here in the city of Washington and with its ramifications in every city, town, and hamlet, upon every railway, upon the streets of every city, and almost upon every highway, serving the mail needs of a Nation

of ninety millions of people with an efficiency and cheapness which challenges any private institution in this country, if not, indeed, any institution in the world. It is one system, one service, under one head. It carries anything in weight in the domestic mails, but not in character, from a postal card up to a 4-pound package. This single system reaches every point made by the combined dozen of express companies, and thousands upon thousands of places which they do not reach. The mail car and the express car are loaded at the same place and in the same manner and are, in the majority of cases, attached together upon the same train. What is there in the situation of a practical character which prevents the consolidation of these traffics? This question has been answered in the countries of Europe, and the answer is nothing, and that must be the answer in this country. And that answer would have been given long ago if it were not for the fact that private-property privileges, misnamed rights, are so in the ascendant in this country that any attempt to regulate or convert them to the public use is met with the cry of paternalism, socialism, or some other ism.

I congratulate the times upon the fact that the House of Representatives of the Sixty-second Congress has, by almost unanimous vote, adopted a rule whereby it may go upon record for or against a parcel post and postal express in the United States, and I have no doubt that while the majority for these propositions may not be so overwhelming as for the adoption of the rule, yet there will be majorities for both of them. And that this action will be the real forerunner in the near future of the substantial enlargement of the great and beneficent postal service in this country.

My attention has been called to a case, with the facts of which I am not familiar, involving the arrest of a railway mail clerk in the State of Colorado on a charge of carrying for pay in his mail car and personally delivering a mailable package. This, I am advised, is the substance of the charge. Attached to the mail car in which this clerk was at work was an express car presumably more or less filled with mailable packages, but carried for pay by the railroad company for the express company, with which it almost equally divides the carriage charges.

In connection with the foregoing statement of facts, I append by request a memorandum prepared for Mr. KENYON, then an Assistant Attorney General of the United States and now a United States Senator from the State of Iowa, the memorandum being of date October 5, 1910, and entitled:

[Memorandum for Mr. KENYON.]

OCTOBER 5, 1910.

IN RE ALLEGED VIOLATION OF SECTIONS 3982 TO 3985, REVISED STATUTES, BY THE CARRIAGE OF MAILABLE MATTER OTHER THAN LETTERS IN COMPETITION WITH THE POSTAL SERVICE.

If the legality or illegality of practice of express companies and others of carrying merchandise and printed matter in competition with the postal service turned upon the power of Congress to forbid such competition it would not, in my judgment, be troublesome.

It appears from the various historical authorities referred to in the brief of Nathan B. Williams, submitted to the circuit court of appeals for the eighth circuit, in a test case brought by him against the Wells-Fargo Express Co., that from its very beginning the Government postal service in England, as well as in this country, has handled merchandise in small packages, as well as letters and literature of various sorts; and even if this immemorial practice had not made it the function of the Post Office Department to handle such matter, the action of Congress in declaring at various times and in various ways that all kinds of literature and merchandise would be carried in the mail, subject only to a limitation as to weight and the safety of other mail matter in the case of merchandise, has undoubtedly fixed the functions of the postal service in that respect.

The power of Congress to do this seems to me indisputable, because even if at the time of the adoption of the Constitution merchandise in small parcels was not universally recognized as mail matter, there certainly was no universal belief that the activities of the postal authorities were to be limited to the carriage of letters and other printed matter, so that the grant to Congress of the power to establish post offices and post roads necessarily conferred authority to determine what should constitute mail matter. If this be not so, then Congress has from the beginning of our Government exceeded its constitutional authority by authorizing and requiring the Post Office Department to carry in the mails other things than letters and printed matter, for if at the time of the adoption of the Constitution the function of the postal service was universally conceived to be limited to the carriage of letters and printed matter, then the grant of power to establish a postal service was subject to the same limitation, with the result that it only conferred authority upon the General Government to convey letters and printed matter.

Further than that, it was explicitly held in the case of *Ex parte Jackson* (96 U. S., 727) that "the power possessed by Congress embraces the regulation of the entire postal system of the country," and includes the right to prescribe what should constitute mail matter.

I realize, of course, that if it be conceded that Congress has power to make merchandise in small quantities mail matter, it might be contended that the Government could, if it chose, take over the entire business of transporting property as a part of the postal enterprise; but it seems to me that the courts would not be greatly troubled over that question. They would draw the line whenever it appeared that Congress was attempting to abuse its power under the postal clause, just as they draw the line between reasonable and unreasonable police regulations of the States.

Beyond that, it must be remembered that we are not alone concerned about the transportation of ordinary merchandise, but that perhaps the greatest and most harmful competition between express companies

and the postal department is in respect of newspapers, magazines, pamphlets, and other printed matter which is now carried as merchandise, and I can not see how such things can fail to come within the strictest definition of mail matter, since their fundamental purpose is always to "diffuse intelligence" or information.

It being thus established that it is the function of the Post Office Department to carry merchandise in small quantities, or at least to carry printed matter of every sort and description, the power of Congress to forbid private carriage of such matter in competition with the Post Office Department is hardly open to dispute.

Like all other congressional powers, the power to establish a postal department carries with it, by implication, authority to do whatever may be necessary to the preservation and successful operation of that department, and the question of whether or not a particular regulation is essential to either of those ends is primarily a legislative rather than a judicial one, with the result that its congressional determination is not open to review in the courts, save in a case of gross abuse of discretion.

It can hardly be claimed that it would be an abuse of legislative discretion for Congress to declare that the interests of the Post Office Department require the monopolization by it of the business of carrying all mailable matter. There is no necessity to state in detail the various considerations showing the propriety of such a measure. Not only has Congress repeatedly asserted this right of monopolization without question of the propriety of its action ever being made, but the constitutionality of its enactments has been sustained—not only by opinions of the Attorneys General (4 Op. Atty. Gen., 159; id., 276; 21 id., 384), but also by the Supreme Court in the case of *Ex parte Jackson*, supra. It has been suggested that while this case affirms the right of the Government to monopolize the carriage of letters, it denies a like congressional right in respect of other kinds of mail, on the theory that the power of the Government to monopolize extends only to such matter as is strictly mail, and that although merchandise and printed matter are carried in the mail, they are not in their essence mail matter.

While it is true that the court used language which taken by itself would seem to indicate that it held the stated view, it seems to me that the decision itself does not so adjudge. The question before the court was whether or not Congress could prohibit the mailing of letters or circulars or other matter relating to lotteries. The assertion that Congress lacked the power so to do was based upon the fact that the business of carrying such matter had already been monopolized by the Government, and that, therefore, if such matter could not be sent through the mails it could not be sent at all. Consequently, the question before the court was whether or not the Government could, while refusing itself to carry given matter, at the same time prevent its carriage in any other way; and I think the court did not intend by its language to go further than to hold that if Congress refused permission to transport matter in the mails, such refusal necessarily operated to make the monopolization statutes inapplicable to such matter. The separate treatment of letters on the one hand and other mail matter on the other hand in the opinion is to be accounted for—not on the ground that the court conceived the powers of Congress to be different in respect of the two, but because, as the court held, there was a practical difficulty in the way of the enforcement of the law against sealed mail, viz, the constitutional guaranty against unreasonable searches and seizures, which did not exist in the case of unsealed mail, which the Government had the right to inspect and refuse to carry if it was of the prohibited kind. I do not, therefore, regard the *Jackson* case as adverse to the views I have expressed.

But even though the power of Congress to prohibit the carriage of merchandise and printed matter in competition with the Government mail service be conceded, there still remains the question whether or not it has been exercised; and this question depends for its answer upon the meaning of the word "packet" as used in the sections of the Revised Statutes forbidding the transportation of any "letter or packet" in competition with the postal service. I do not myself doubt that the word "packet" as so used referred to packages or parcels of merchandise or printed matter. It seems to me that the considerations advanced by Mr. Williams in his brief make this view quite conclusive, but, unfortunately, that precise question arose in 1873, and the Assistant Attorney General for the Post Office Department gave an unequivocal opinion to the effect that the word "packet" as used in the stated phrase meant "packet of letters" or other matter sent first class. (Op. No. 14, beginning p. 36, vol. 1, of Opinions of Assistant Attorney General for Post Office Department from June 23, 1873, to Apr. 28, 1885.)

A like opinion was expressed by Attorney General MacVeagh, under date June 29, 1881, a copy of which appears in our correspondence file (119346), but it seems never to have been reported in the printed opinions of the Attorneys General.

Pursuant to these opinions, the Post Office Department's compilation of the postal laws and regulations have, from the first issue thereof after 1873 (namely, that of 1879), down to the most recent issue in 1902, contained the statement that the provisions of the Revised Statutes forbidding the carriage of letters or packets in competition with the Post Office Department related only to first-class mail matter and did not forbid the carriage by private express of any other kind of mail matter.

It is needless to cite authorities with respect to the great weight attaching to long-continued administrative construction of statutes. The courts have repeatedly said that such construction would be followed in any doubtful case, and in this instance the construction has been followed so long—nearly 40 years—and has been so frequently and widely published and thoroughly understood by everyone that the courts would be obliged to presume that it is well known to Congress, and therefore that if it were not in accord with the true intent of the act Congress itself would have adopted a new statute incapable of the old construction. Of course it is true that the administrative construction can not deprive the courts of the right finally to interpret statutes, but in this case, for the reasons I have indicated, I can not believe that the courts would repudiate the position which has heretofore been consistently adhered to by the Government. In my opinion, therefore, a prosecution under the present laws would not be successful. The remedy is by amendment of the statute.

I also append, by request, an article entitled "The post office our mutual express company," which appears in a publication called *Postal Progress*, issued by the Postal Progress League of Massachusetts:

THE POST OFFICE OUR MUTUAL EXPRESS COMPANY.

The postman is an older character than the Sphinx, but the end of the old-time post was espionage and taxation—the service of the old-

time king. The modern post office is our mutual express company; its business is to save the citizen from exploitation by the modern railway king.

Inaugurated by Rowland Hill, of England, in the establishment of the uniform English penny letter post of 1839, the modern post office rests upon this fundamental law: "That in public transportation the cost of the service rendered is regardless the distance traversed by any unit of traffic upon the moving machinery." This law not only governs the postal world to-day; it is so generally applied in the railway world—it is in common use in city trolley traffic and in through carload freight traffic—that its application to the entire business of public transportation under the post office would be little more than the establishment of a widespread railway custom as a common law under the lawmaking power.

The modern American city owes its growth and prosperity to its uniform 5-cent fare. To the postage-stamp system of rates in through carload freight traffic more than to anything else, say our great railway authorities, is due our national prosperity. Upon its continuance, says Mr. Tuttle, late president of the Boston & Maine Railroad, depends the existence of New England's industries, and it not only keeps old industries going, said the railway president, it creates new industries, and in evidence of this truth he points to the flourishing paper-mill town of Millinocket, Me., that came into being only after its projectors had been assured that their products should be carried to Chicago and other great markets on the terms allowed towns close to those markets.

As to the possibilities in this direction, please note that even with the present wasteful management of our great post roads, waste that may be reasonably estimated at well-nigh a billion dollars a year—the average station-to-station railway rate is less than \$1.08 a ton, but a trifle over 10 cents a 200-pound parcel, for the average haul of 141 miles, and about 63 cents for the average 33-mile trip of a passenger.

Under a scientifically managed post office controlled by scientific legislation, a general freight and passenger post, with station-to-station rates—10 cents, 200-pound parcels, 4 cubic feet bulk; 50 cents ton parcels, 40 cubic feet bulk—with similar low uniform passenger fares, would seem altogether practicable, and with trolley lines and automobiles connecting our great post-road stations with the homes of the people, the time would soon arrive when, within the perfected system of transportation, we would have uniform rates, door to door everywhere; parcels up to a pound in weight, one twenty-fourth of a cubic foot in bulk, 1 cent; larger parcels, up to 5 pounds, 2 cents; 11-pound parcels, 5 cents; 25 pounds, 10 cents; 60 pounds, 15 cents; half-barrel parcels, 100 pounds, 20 cents; barrel parcels, 4 cubic feet bulk, 200 pounds, 25 cents, etc., paying the full cost of the service rendered.

I believe that our common welfare demands the immediate extension of the post office over the whole business of public transportation and transmission. The next best thing would be the extension of our cent-a-pound publishers' post to cover all mail matter. The least that can be expected of Congress this winter, as it seems to me, is the establishment of a parcel post as cheap and as extended as that provided by our bill, H. R. 14, introduced April 4, 1911, by Hon. WILLIAM SULZER, of New York, entitled:

"A bill to reduce postal rates, to improve the postal service, and to increase postal revenues."

This bill increases the general weight limit of the postal service from 4 to 11 pounds and consolidates the third and fourth classes of mail matter in the general service at 1 cent each 2 ounces, 8 cents a pound, the old common merchandise rate of 1874, and the rate at which parcels of merchandise are now posted from Germany, Austria, and Italy throughout this country under our existing parcel-post conventions. The proposed domestic rate is indeed a little higher than the existing foreign rate.

In city free-delivery services this bill provides for a local sealed parcel or letter service, consolidating the first, third, and fourth classes of mail matter at 2 cents the first 4 ounces, 1 cent each additional 2 ounces, the common letter-post rate of Great Britain.

Section 3 consolidates all mail matter in one class in the local service of our rural routes at a common rate, parcels up to one twenty-fourth of a cubic foot in dimensions, 1 pound in weight, 1 cent; larger parcels, up to one-half a cubic foot, 11 pounds in weight, 5 cents; larger parcels, up to 1 cubic foot, 6 by 12 by 24 inches, the capacity of the ordinary suit case and up to 25 pounds in weight, 10 cents.

Section 4 provides for the insurance of all mail matter; the ordinary postage carrying insurance up to \$10; the 10-cent registration fee insures parcels of declared value up to \$50, and an additional fee of 2 cents for each additional \$50 carries insurance up to the full value of the parcel.

With this bill enacted into law, the mailing of but 25 pounds of merchandise a year by the average American family, in its general postal traffic at the new 8 cents a pound rate, would increase the annual merchandise income of the Post Office from the \$8,000,000 of 1907 to over \$36,000,000, and the mailing of a similar amount by the average city family in their local service would add a local city income of full \$10,000,000. The wants of the average rural family would surely require the posting to and from the post town and the home of at least one 10-cent packet a week; and even such a scanty use of the service, implying an outgo of only about \$10 a year per family, would increase the postal revenues by over \$40,000,000 a year, an amount sufficient to meet the cost of the whole rural service, covering every possible charge that could be made against all matter brought from the outside world, including the \$13,000,000 charge against second-class mail matter.

The American Express Co. carries English postal parcels, 3 to 11 pounds, from New York City to the domicile of the addressee anywhere within its lines for 24 cents.

All the great American express companies collect and deliver parcels of newspapers, distances up to 1,000 miles, anywhere within the two zones into which our continental area is divided by the Ohio-Pennsylvania State line, 10 pounds for 10 cents. The cost of posting a parcel is absolutely regardless of the character of its contents.

The German post office carries 8-ounce letters for 5 pfennings (about 1 cent) and merchandise parcels up to 11 pounds, distances up to 46 miles, 6 cents; for greater distances, within the Austrian and German Empires, the rate on merchandise parcels is 12 cents.

Two-pound book packets go from any post office in Germany to any post office in German Africa for 7½ cents.

The Great Eastern Railway of England carries 20-pound parcels of agricultural produce from any of its agricultural stations to the home of any patron within 3 miles of its stations in London for 8 cents.

At the parcel-post hearings of April, 1910, at Washington, Mr. Charles Underhill, a retail merchant of Somerville, Mass., said "that the local express companies of Boston transport parcels to the homes in the suburban towns up to 15 miles from Boston, 10 pounds for 5

cents; 10 parcels of lead or nails, of a hundred pounds each, for \$1. (Pages 236-237 of the Parcel Post Hearings of April, 1910.) And at the parcel-post hearings of June, 1911, Mr. E. W. Bloomingdale, counsel of the Retail Dry Goods Association of New York, said that the New York stores are delivering their merchandise—from a package of needles to a refrigerator—to their suburban customers, 30 to 35 miles away, at a cost of from 33 cents to 4 cents a packet. (Page 105 of the Parcel Post Hearings at Washington of June, 1911.)

Verily, if we must needs try further postal experiments, then nothing less than the enactment of our bill (H. R. 14) into law this winter will satisfy the public demand for the immediate establishment of an extended parcel post. But neither an 11-pound parcel post at 8 cents a pound nor an unlimited cent-a-pound parcel post can secure that reduction in the cost of living and that widening of the opportunities for getting a living which is the cry of the hour.

Our opponents acknowledge, moreover, that any extension of the postal service means its final extension over the whole business of transportation and transmission, and it is clearly manifest that with this accomplished, the chaos, disorder, and fear that broods over us to-day will disappear and it will be quickly discovered that our old earth is big enough for all of us and rich enough to meet the needs of each of us. Then, why not establish a general freight and passenger post, now?

Mr. HAMLIN. Mr. Chairman, I certainly congratulate myself on the splendid audience which greets me here this afternoon. [Applause.] One can always get an inspiration from a large audience. I have no set speech to deliver; I only felt that the importance of the question pending here now warranted me in offering some observations. We have reached the point in the Post Office appropriation bill whereby the rule adopted the other day makes it in order to consider some very important propositions in connection with that bill. As the gentleman from Colorado [Mr. MARTIN] so well said a while ago, we have reached that point in legislation in regard to the Post Office Department in the transmission of the mails and of other matters which are being demanded by the people throughout the country and which requires our very careful consideration.

Since I have been a Member of this House I frankly state to you that no question has arisen which has given me as much concern as has the question of the parcel post.

Mr. GREGG of Texas. I think that is true of us all.

Mr. HAMLIN. My good friend on my right says that is true with all of us, and I have no doubt but that he is correct. In the study of this question I have tried to approach it from the viewpoint of the greatest good to the greatest number. It is not a political question, and I have at no time considered it in that sense. There is no moral question involved and no party question involved. It is purely a business proposition.

On the one hand, we have the great body of the farmers and laboring men in this country demanding a general parcel post, and on the other hand, we have the local retail merchants throughout the country protesting against the passage of any such legislation, arguing that it will work to their great injury, and as many of them state to me in letters, that it will absolutely ruin their business.

I think I can say that I know in my own district where I am known that no man would accuse me of voting for any proposition that would injure any man or business if I can prevent it. My own judgment of this matter is that both sides to this controversy have greatly exaggerated its effect. I do not believe that a general parcel post will be of the pecuniary advantage to the farmers throughout the rural districts that they have been led to expect and believe. I believe that the great advantage will be the convenience which it will be to them to have their parcels as well as their mails delivered at their doors.

On the other hand, I do not believe that it will work the injury to the local retail merchant that he seems to apprehend.

The farmers throughout my section of the country—and I think they are not different from those of other sections—are, as a rule, patriotic; they love their homes and their communities and will not be willing to ruthlessly work injury to either. I am quite sure, everything else being equal, they would prefer to patronize the local merchant, the man whom they know. It is natural, of course, for anyone buying to want to see the article they purchase before they part with their money. Therefore, I believe, everything else being equal, that the farmers are going to patronize the local merchants even though we establish a parcel-post system.

But they demand the right to buy wherever they can buy the cheapest, and in that they are undoubtedly right. If we would take the extreme argument of the merchants who are so violently opposed to this legislation as correct, what position does it put the Member of Congress in? They tell us that if you enact a general parcel-post law it will injure their business, if not entirely ruin them, because the large department stores will sell to the people cheaper than they can afford to sell, and that the farmers and laboring people will therefore patronize the department stores in the cities. If that be true, I submit that a Member of Congress who has no interest personally in the matter but to represent his people honestly can reach but one conclusion. If that argument be true, the farmer, it will be conceded, has

the right to buy wherever he can buy the cheapest; then the law would consequently be to the benefit of all classes of buyers, and where there is one man who sells and who would therefore be injured there are thousands who are compelled to buy and who would therefore be benefited. Consequently, if these interests clash, which I do not concede, I for one feel that I must take my stand on behalf of the interest of the overwhelming majority.

I have realized before this the difficulty we are placed in in enacting general legislation. In legislating for over 90,000,000 of people, stretching from ocean to ocean and from Canada to the Gulf, it is almost utterly impossible to enact any general legislation that will not work some injury in some way to some particular parties engaged in some particular business. But, as I said, the enactment of a general parcel post will not bring the millennium to the buyers of this country. Neither will it mark the day of doom for the local country merchant.

The question to consider is, What kind of a parcel-post law ought we to pass? I do not believe, and I do not speak of it in the spirit of criticism, that the provision reported in the present bill is an adequate provision for either the buyer or the seller. Of course the extension of the international rates is right, because it harmonizes that system, makes it general throughout the country, but no one contends that it will bring any relief, because the rates would be so high that the farmers would better patronize the express companies at the present rates than resort to the postal service on those packages. It may as well be left at 16 cents a pound as to put it down to 12 cents per pound, for both are prohibitory. I want to cite a concrete example. Recently I received a letter from a friend of mine, a farmer whom I know very well, asking me to support a general parcel-post law. As one evidence of the reason for his request he inclosed a notification card which he had that day received from the express company telling him that there was in the local office for him an 11-pound package sent to him by express from Chicago, and that the charges on it were 90 cents. He denominated those charges as exorbitant, outrageous, and a robbery, and said that he hoped that I would vote for a parcel-post law that would put the express companies out of business. What could I tell him if I supported this bill and nothing further? That same package under the international rate which is provided for here, if sent by mail, would have cost him \$1.32, 42 cents more than the express company was charging him, nearly 50 per cent more than the express company had charged him.

Mr. GREGG of Texas. Mr. Chairman, under the general parcel-post proposition the 11 pounds would have been sent for 8 cents a pound. Is not that true?

Mr. HAMLIN. Oh, no.

Mr. GREGG of Texas. I mean the one that is being advocated.

Mr. HAMLIN. Twelve cents.

Mr. GREGG of Texas. No; the one that is being advocated, the general parcel-post proposition.

Mr. HAMLIN. Oh, yes; I understand you now. I was speaking of the provision in this bill.

Mr. GREGG of Texas. If he had gotten his package from Chicago, even under the general parcel-post proposition which is now being advocated, he would not gain much.

Mr. HAMLIN. Only 2 cents. His 11-pound package would have cost him 88 cents instead of 90 cents.

Mr. Chairman, I believe that the solution to all these vexed question lies in the matter referred to a few moments ago by my colleague [Mr. MARTIN of Colorado], and that is the postal-express proposition which has been reported to this House. My time will not permit, and I frankly say that my knowledge of the subject will not warrant me, in attempting an extended discussion of that proposition, but I do want to say this in all seriousness. I believe if members of the committee will study the provisions of that bill they will reach a conclusion that that is the real solution to this small parcel transportation question which is to-day causing this country so much trouble, anxiety, and expense. I know we shy away from it, because it is a radical step, we say. It will cost some money to start it. It looks a little bit like Government ownership. When the matter was first presented to me I shied at it, and I think I betray no secret when I say that along in the month of December I was requested to introduce a postal-express bill. I considered the matter for a few days, and I shied from it like a country horse from a city automobile. I hardly knew why, only the idea of taking over the express companies of the country appeared to me to be a very big proposition, and a long step in a direction that we had not heretofore been traveling. In other words, it was radical legislation, I thought. So I finally said that I would not be willing to become responsible

for the introduction of that kind of a bill until I had more time to study the subject.

I did not introduce it, but that kind of a bill was introduced, and it went to the Interstate and Foreign Commerce Committee, of which I have the honor to be a member. We have taken up that bill and considered it. I find that it is not such a radical step, after all, but it is the step that, if carried out, will solve this whole vexed problem and that the solution will be in the interest of the people.

Mr. MARTIN of Colorado. And does not my colleague find that as soon as he commenced to study this parcel-post question he saw that the taking over of the express business by the Post Office Department is the only real solution of it?

Mr. HAMLIN. Exactly; that is what I am saying.

Mr. MARTIN of Colorado. And he is absolutely driven to that position from a study of the question?

Mr. HAMLIN. I am driven to that position, as I said, almost involuntarily, or, at least, contrary to my fixed ideas when I started in to study it. I thought it was a radical step, but, as the gentleman says, when you study that question thoroughly you will be driven inevitably and logically to the conclusion that the thing for the Government to do is to take over the express companies and handle the small packages and parcels through the postal department.

Now, a few years ago when we were establishing the rural free-delivery routes a great many people shied at that. Many of the local merchants over the country opposed it and said it would ruin them. Where is the Member representing a country constituency to-day who will stand up and say that he is in favor of abolishing the rural free-delivery system? Not one, and that, in my judgment, would be true after we have tried out the postal-express system, which is the solution of this vexed question. [Applause.] No popular demand is ever made for new legislation without a reason for it. What has created this great demand throughout the country for a parcel-post system? It is because the people have been robbed for years by the express companies on the shipment of small packages.

They are not demanding a parcel post to carry letters nor to carry newspapers, but it is to carry small parcels or packages which are now being carried by the express companies at a rate that is both exorbitant and unreasonable. The railroad companies some years ago, in order to relieve themselves of the duty of carrying or caring for these small packages by freight, permitted to be organized—and I have always thought participated in the organization of—companies now known as express companies, which my friend Mr. LEWIS, from Maryland, has so aptly designated as parasites, and they are nothing else.

I am informed that out of a total of over 30 companies there are only 2 incorporated.

The truth is, I repeat, that the railroads did not want to handle the little parcel and package business by freight and encouraged the organization of these express companies. Both the railroad and express companies saw in this cunningly devised scheme an opportunity to greatly increase the charges to the shipper on these small packages and thereby make money out of this kind of business.

Of course, the express companies have to hire the railroads to haul these packages for them, and the railroads required the express companies to enter into contracts with them whereby the railroad company would receive about 47½ per cent of the gross receipts of the express business for its part in hauling the packages, leaving the express companies 52½ per cent of the receipts for its part of the business. In other words, for every dollar collected by the express company the railroad company gets 47½ cents and the express company 52½ cents, and between the two the shipper gets robbed.

I think it will be interesting to note the effect of this cunningly devised contract between the railroads and express companies on the rate charged the shipper. The following will give you an idea of how it works out:

The average rate of the express companies for a 5-pound package moving 36 miles is 27 cents. In making the rate the rate maker first considered the cost of the express-company service. He found it, let us say, to be 5 cents for delivery, 6 cents for general expense, and then added 3 cents for profit—altogether 14 cents for the express company. But under the railway contract the express company is restricted to 52.50 per cent of the rate it fixes, and 47.50 per cent of the proceeds of each rate must go to the railway. Accordingly, the 14 cents computed is but 52.50 per cent of the rate he must fix; that is, he must add the railway percentage of 47.50, or 13 cents, to the express company's 14 cents, making a rate of 27 cents.

Now, let us see how this same contract works out on the long-distance haul. Let us take the coast-to-coast rates for our illustration. The rate from New York to the Pacific coast

points is \$13.50 per 100 pounds. Here the desirable value of the railway service must govern the rate maker. The railways receive \$6.41 for their part of this service. But under the contract the express-rate maker must consider this \$6.41 as but 47.50 per cent of the rate to be formed. Accordingly, he adds to the \$6.41 the contractual express percentage—\$7.09—and there results the \$13.50 rate and its destruction of an unknown percentage of the potential express traffic.

Stated in another way, we have:

Rate for 5 pounds, 36 miles:	
Necessary express loading on.....	\$0.14
Contractual loading to pay railway.....	.13
Resulting rate.....	.27

Rate for 100 pounds, 3,000 miles:	
Necessary loading to pay railway.....	6.41
Contractual loading for express company.....	7.09
Resulting rate.....	13.50

In brief, the railway, on the small package and short journey, at one extreme, secures 10 times what it ought, while on the other the express company accomplishes the same result. But the shipper gets robbed on both the long and short haul.

Without going into further detail, it will be seen that this small package is so heavily burdened with the expense to the shipper in its transportation that the people have risen up almost en masse and demand a parcel-post system, or some system for the moving of these small packages at a reasonable and fair cost to the shipper.

The Committee on Interstate and Foreign Commerce, of which I am a member, feel that we have offered here in the Goeke bill as an amendment to the Post Office bill a solution of this vexed question.

This amendment provides for the condemnation of the property of the express companies and the taking over of the express business by the United States Government, and conducting the express business in connection with the postal service of the Government.

The Government can do this and transport these small packages at a nominal cost to the shipper and save to the people millions of dollars each year and then articulate the express service with the Rural Delivery Service and in that way put the man in the rural district in touch with the outside world in sending his produce to market by express and have his packages delivered at his door in return in the same way at a reasonable rate for the service rendered. I believe this is the logical solution of this question.

Many of the legitimate charges now added to the cost of the transportation of packages by the express companies by reason of the necessity of keeping tab on that package, entailing the employment of many clerks, can be eliminated by the Government by the affixing of a postage stamp, and our bill provides that the Postmaster General shall contract with the railroads for the hauling of these packages; and if they can not agree on a rate which is reasonable and just, then the Interstate Commerce Commission shall determine what the rate shall be and the railroads shall carry this traffic for the rate so fixed. I believe that this bill safeguards the interest of the public and is a fair solution to all the people of this parcel-transportation question and ought to be adopted.

If we can eliminate the express companies and have the Government, through the postal department, take over the transportation of these small packages by postal express and then adopt what is known as the Shackelford amendment to the Post Office bill, which provides for the Government paying the States, counties, or local communities for the use of the roads over which the mail is carried, and thereby encourage the building of good roads throughout the country, we will have done more for the common people of this country than all the previous Congresses in the last 50 years.

Since before coming to Congress I have advocated Government aid in building good roads, but I have never been willing, neither am I now, in favor of the National Government building and controlling these roads. These roads belong to the States and should be built and controlled by the States, yet since all the money which goes into the Federal Treasury comes from the people and belongs to them, I am in favor of cutting out some of the useless expense, such as building useless battle-ships, costing from \$12,000,000 to \$18,000,000 each, and give this money to the different States to be used in the building of good roads.

I can conceive of nothing quite so beneficial to all the people, both to the town and country people as good roads. The Shackelford bill is fair to both the people and the Government in that it provides that in all the communities where they will build their roads up to either class A, B, or C, and the

Government, where it uses these roads to carry the mail over them, shall pay to these communities certain annual rental for the use of these roads, to wit: Class A, \$25; class B, \$20; and class C, \$15 a year per mile.

I am heartily in favor of this amendment, for I believe it is not only just and fair, but I believe, if adopted, we will see the greatest era of road building we have ever seen in this country.

As to the parcel-post question—as to whether it should be conducted on a flat rate or whether by zone system, or whether it would not be the wisest thing to condemn and take over the express companies and handle this class of merchandise by postal express are all large and complicated questions fraught with great expense to the Government and ought to be thoroughly thought out and investigated before adopting any special plan and the suggestion made for a committee of six, three to be appointed by the Speaker and three by the President of the Senate, to thoroughly investigate these different plans and to report by the 1st day of next December may be the best thing to do. I am thoroughly convinced that Congress must shortly work out some plan for the Government to take over the transportation of small packages and parcels, and thereby relieve the people from the oppression of the outrageous express charges, but we want to be sure that we are right before we go ahead. I repeat, Mr. Chairman, that I believe we ought to put the express companies out of business and establish a postal express, but if this commission, upon investigation of all these plans, reports a better one I will gladly yield. What I want is a system that will give the people transportation at reasonable prices, covering both rail and rural route, and if that can be worked out without injury to the Government I shall be satisfied.

Mr. CALDER. Mr. Chairman, when the general provisions of the Post Office bill was under discussion in general debate I expressed some views on a number of different items in that measure. I had no knowledge at the time that an effort would be made to write into the bill some of the matters now under consideration, and it is regarding two of these that I propose to address the committee for a few moments. I refer to the postal-express amendment and the so-called good-roads amendment, or, as I would more properly term it, the subsidy to the States that have no good roads.

The so-called express amendment has received little consideration at the hands of any committee of this House. The Goeke bill, so-called, was referred to the Committee on Interstate and Foreign Commerce, of which I have the honor to be a member. The gentleman from Maryland [Mr. LEWIS] appeared before the committee, and his testimony has been published. This hearing lasted hardly an hour, and that, with Senate Document No. 379, an article on the subject by the same gentleman, is the only information upon which this legislation is based. In fact, in the discussion of the bill in the committee, it was not even read through for amendment. Unquestionably the gentleman from Maryland [Mr. LEWIS] has made an exhaustive study of the subject and has given the House and country a great deal of information. It must appeal to every sane business man in the country that it is bordering almost on folly for the House to commit itself to legislation of this character without more information on the subject. No effort has been made to secure the information that the Interstate Commerce Commission, the Post Office Department, the Department of Commerce and Labor, or any other department of the Government might have on the subject. There has been no examination of railroad officials or express company officials for the purpose of ascertaining the value of their plants, the character of the contracts entered into between the express companies and railroad companies. If ever there was an attempt at a leap in the dark, it seems to me that this is one. As a Representative in Congress from the city of New York and interested in some of its great business affairs, I have observed to what an extent the express company enters into the daily business of the city. I have no statistics before me, nor have I any definite information on the subject, but one only has to pass through the great mercantile centers of the city to see what an important function in every-day business life the express company is called upon to fill. We are asked to vote for a proposition to attempt to take over all the express companies, their contracts with the railroads, their terminal facilities, their real estate, and—if we are to go that far—undoubtedly the immense wagon and motor transfer stations and outfits in the different cities and towns of the Nation.

Even Mr. LEWIS, who knows so much of the subject, has not informed us as to how far the Government should go in the matter of handling express matter between points in the one city. I have in mind an express company that has no contract with any railroad company that does an immense business in

handling express matter between different boroughs of the city of New York and neighboring towns in New Jersey and Connecticut. This business is handled by wagons and automobiles. The company has an arrangement with the larger express companies to handle its railroad business. It has not been made clear whether a company of this character is to be condemned and taken over by the Government or whether the Government is to compete with it. I also have in mind the Long Island Express Co., New York City, that handles all the express business over the Long Island Railroad, has its terminal yard arrangements with this company in all of its many stations on Long Island. I assume that, like the larger express companies, it has a contract with the Long Island Co. This would, of course, have to be taken over with the rest.

In this discussion the other day the statement was made that about 50,000 men were employed by the express companies of the country. This is more or less of an estimate. If we are to take over these smaller companies I am certain the number would run into 100,000, if not more. I believe the statement has been made that the cost to the Government of taking over these express companies will be about \$40,000,000. This statement is based on a conjecture and not a thorough investigation of the value of the property it is proposed to condemn. I have no knowledge myself, but I would not be surprised if it would be nearer \$250,000,000. I have served on the Committee on Interstate and Foreign Commerce in the Sixty-first and Sixty-second Congresses. In that committee we have considered legislation of great magnitude, but never before have I seen an effort to secure the enactment of legislation of this importance without proper consideration. I think I voice the views of the majority of the committee when I say that we believed this measure would take weeks of consideration, and that we had not the slightest idea that an effort would be made to have it considered by special rule as an amendment to the Post Office appropriation bill.

I do not object to the Government, through the Post Office Department, establishing a parcel post, an arrangement whereby the Government shall carry for a reasonable cost a limited sized package throughout the entire country, but I can not lend my support to a measure or blindly go into an expenditure that proposes to expend millions of dollars without possessing much more information on the subject. I represent, in part, the city of New York, where the main offices of all the great express companies are located. The interesting thing about this whole matter is that not a single word has been heard from an officer of any of these express companies, as far as I have been able to learn, in opposition to this measure. My honest judgment is that they will welcome it. I feel confident that when the Members of the House are called upon to vote for this proposition it will be rejected.

RELATIVE TO THE AMENDMENT SUBSIDIZING THE ROADS IN THE RURAL SECTIONS OF THE COUNTRY.

I am opposed to this amendment. I can only look upon it as an effort on the part of Members of this House to take from the Federal Treasury money for which there will be absolutely no return. I am informed that the Democratic Members of this House caucused recently whether they would bring up for consideration a public-buildings bill and that by an overwhelming majority it was determined that there would be no "pork barrel" this year. It seems to me this amendment is a better "pork barrel" than the public-buildings bill, for under the latter the towns and good-sized villages of the country through their enterprising Representatives get something for their communities from the Public Treasury. This bill will be the means of taking money from the Federal Treasury to put it into the county treasuries of every single rural county in the United States, whether or not that county has a village or town large enough to ask to get a public building, so that the rural Member can go back home and in his campaign this fall go to every county fair and to every rural community and say, "I have brought home to you so much money that you can put in your treasury and use for whatever purpose you see fit." Under the terms of this amendment not a single dollar of this money need be used in either building new roads or keeping up those already constructed. The amendment under consideration provides as follows:

That for the purposes of this act certain highways of the several States and the civil subdivisions thereof are classified as follows:

Class A shall embrace roads of not less than 1 mile in length upon which which no grade shall be steeper than is reasonably and practically necessary in view of the natural topography of the locality, well drained, with a road track not less than 9 feet wide, composed of shells, vitrified brick, or macadam, graded, crowned, compacted, and maintained in such manner that it shall have continuously a firm, smooth surface, and all other roads having a road track not less than 9 feet wide of a construction equally smooth, firm, durable, and expensive, and continuously kept in proper repair. Class B shall embrace roads of not less than 1 mile in length upon which no grade shall be steeper

than is reasonably and practicably necessary in view of the natural topography of the locality, well drained, with a road track not less than 9 feet wide, composed of burnt clay, gravel, or a proper combination of sand and clay, sand and gravel, or rock and gravel, constructed and maintained in such manner as to have continuously a firm, smooth surface. Class C shall embrace roads of not less than 1 mile in length upon which no grade shall be steeper than is reasonably and practicably necessary in view of the natural topography of the locality, with ample side ditches, so constructed and crowned as to shed water quickly into the side ditches, continuously kept well compacted and with a firm, smooth surface by dragging or other adequate means, so that it shall be reasonably passable for wheeled vehicles at all times. That whenever the United States shall use any highway of any State or civil subdivision thereof which falls within classes A, B, and C, for the purpose of transporting rural mail, compensation for such use shall be made at the rate of \$25 per annum per mile for highways of class A, \$20 per annum per mile for highways of class B, and \$15 per annum per mile for highways of class C. The United States shall not pay any compensation or toll for such use of such highways other than that provided for in this section, and shall pay no compensation whatever for the use of any highway not falling within classes A, B, or C. That any question arising as to the proper classification of any road used for transporting rural mail shall be determined by the Secretary of Agriculture. That the compensation herein provided for shall be paid at the end of each fiscal year by the Treasurer of the United States upon warrants drawn upon him by the Postmaster General to the officers entitled to the custody of the funds of the respective highways entitled to compensation under this act.

The provisions of this paragraph shall go into effect on the 1st day of July, 1913.

It will be observed that the Federal Government will pay each year for every mile of roads, respectively, \$15, \$20, and \$25; for the Class C road, described in this bill, only \$15 per mile per year will be allowed. That will not hire a team and man for more than one week in the entire year to spread a few loads of dirt over the road, to be washed away at the first rainstorm.

We are all human, of course, and feel bound to have the people at home appreciate the fact that we are here and doing something for them, but I can not conceive how Members of this House can believe that their people are so simple minded as to think they are truly representing the best interests of the country when attempting to take out of the Treasury money for a purpose which it can not dispense to any good advantage. During this discussion I have asked many Members of the House, and particularly those from the South, if their State governments rendered any assistance whatever in the building of roads in the rural communities, and without exception I have been informed that the States have not contributed a single dollar. Must it not appeal to the self-respect of the Representatives here that they in all decency ought not to ask the help of the Federal Government when the States have up to this time refused to do anything for them in the matter of expenses for road building. I want to place myself squarely in favor of any measure that will tend to the building of good roads. The State of New York has taken a very strong position in this matter. About 1900 it passed an act authorizing the issuing of bonds to the extent of \$50,000,000 for building roads, and the State has spent that amount of money during this past 10 years. In addition to that amount, about 35 per cent has been contributed by the respective counties of the State, so that all told, in the past 10 years, the State of New York, through its State government and respective highway county commissions, has expended in the improvement of the highways of that State approximately \$70,000,000, so that to-day we have the finest system of State roads of any State in the Union—equal to any country in the world. As a further evidence of the disposition of the State of New York toward the question of road building, last year in the legislature a bill was passed authorizing the submission to the people of the State at the election this November the question of the expenditure of an additional \$50,000,000 for the purpose of constructing and improving the State and county highways. This amendment will be agreed to by the people, unquestionably, and the State of New York will go on setting an example for the rest of the Union in the matter of good roads, as it has in every other great public work. In this connection I have looked up some very interesting information relative to the money spent for street improvements in the city of New York during the past 10 years, and will be pleased to submit, as part of my remarks, a memorandum containing these figures:

Memorandum relative to paving and repaving in the city of New York, 1902 to 1911, inclusive.

Total number of miles of streets paved during the past 10 years—	Miles. 392
Total number of miles of streets repaved during the past 10 years—	657
Total	1,049
Total mileage of paved streets as at Dec. 31, 1911—	2,145
Total mileage of unpaved streets as at Dec. 31, 1911—	1,650
<i>Repaving, 1902-1911, inclusive, charge on the whole city.</i>	
1902	\$3,000,000
1903	6,150,000
1904	3,300,000
1905	3,750,000
1906	3,750,000
1907	3,750,000

1908	\$3,000,000
1909	3,000,000
1910	2,134,000
1911	3,000,000
Total	34,834,000

Original paving repaid by assessments on abutting property.

1902	\$4,149,990.73
1903	3,955,740.22
1904	2,768,680.00
1905	3,631,930.00
1906	5,399,950.00
1907	4,264,400.00
1908	1,636,300.00
1909	3,102,500.00
1910	3,595,000.00
1911	4,389,200.00
Total	36,893,690.95

It will be observed by the above figures that the city of New York has over 2,100 miles of paved streets, and that during the past 10 years it has paved 1,049 miles with the latest improved asphalt, macadam, and granite-block pavement, at a total cost of over \$71,000,000, about one-half of which was paid by the city at large; the balance, being original improvements, was paid by the abutting property owners. This, indeed, is a magnificent record, and I am sure the House will approve of the disposition of the people of New York City on this very important subject. There is one thing we do protest against with all our power. The city of New York pays for all of its own paving. It contributes more than one-half toward the State's funds used for building roads in the rural sections of the State. It protests, however, against a policy that will compel it to pay a large portion of the money to be used in this "pork barrel" in an effort to mulct the Federal Treasury for the benefit of the rural communities of the country, where many of the roads are little more than a lane, hardly entitled to the name of road. We of the Republican Party, from both the Atlantic and Pacific seaboard, have come to you often and asked that you help us build up a great merchant marine. You have answered "No." You come here now and ask from the Public Treasury a subsidy for your respective counties under the pretense that it is for the purpose of building roads. I said earlier in my remarks that you need not spend a single cent for the purpose after it is given you. As a test of your good faith an amendment will be offered at a proper time to include the cities of the country in the matter of road subsidy. It will be interesting to observe how many men from the rural districts in the South will vote for a proposition of this kind. The city of New York gives from its wealth to the whole country. Our State pays one-fifth of the corporation tax; it pays more than its share in the internal-revenue and customs duties levied by the Government, and willingly.

Some one has said in the debate that this amendment would not cost over \$10,000,000 a year; like the cost of the Rural Free Delivery Service, it must have its beginning; that service 10 years ago cost only \$2,000,000; in this bill we carry an appropriation for \$43,000,000 for the rural free delivery for the next fiscal year. I predict that if this amendment prevails the appropriation for the so-called post roads within the next 10 years will cost this Government not less than \$100,000,000 per annum. I trust the amendment will be defeated.

Mr. MOON of Tennessee. Mr. Chairman, I yield 20 minutes to the gentleman from Indiana [Mr. CULLOP].

Mr. CULLOP. Mr. Chairman, governments were instituted among men for the benefit of the people, and not the people for the benefit of the government, except to maintain order and execute its laws. So, in the legislation for a mighty people, governments are required to legislate in the interest of the whole people, enact such legislation as will prove most beneficial to the majority of the people in promoting their welfare. There has been a demand universally over the country for cheaper rates of transportation, and it has been the effort of legislation to secure cheaper transportation facilities in order that the whole people may be benefited thereby. There is no question before this Congress which gives the Members of this body more concern as to how they are to vote than the one involved in this discussion. A very large number of the people believe that the parcel post is the panacea for all their ills. On the other hand, a very large number of people believe the adoption of a parcel post will destroy their business, drive them from their vocations, and absolutely ruin them. I do not believe either of those propositions. I do not believe to the one class there will be as great a benefit as they expect, nor will there be to the other class as great an injury as they predict. Between these widely divergent views there is a golden mean which should be ascertained and adopted, in order that justice may be done to all and the best interests of the public served. Some happy medium must be found and adopted in order that the impositions now borne by the public shall be removed and a system inaugurated which

will adequately serve the public at a moderate cost. Between these two extreme positions Members are compelled to meet the proposition and solve the problem so that the greatest good for the whole people may, if possible, be secured. If none of the plans proposed will produce this result and if some other feasible plan is proposed which will do so, then I shall advocate and vote for it. Whatever proposition assures the greatest benefit to the greatest number in promoting the prosperity, the welfare, of a mighty people shall have my unqualified support.

This question, in my judgment, is of such paramount importance that it calls for the serious consideration of each and every Member of this body in order that such legislation may be enacted as the result of this deliberation that relief may be had from the extortions of the carriers of small packages imposed on a helpless people. The burdens now borne by them for the want of relief from these merciless transportation companies are stifling production, limiting consumption, and restricting the employment of our great capacities with which a generous nature has so abundantly endowed us. As the matter now stands, three distinct propositions are before this House for consideration, namely, the one proposed by the Post Office Committee, a parcel post limited to 11 pounds at 12 cents a pound flat rate; the one known as the Sulzer plan for parcels up to 11 pounds at 8 cents per pound flat rate; and the other known as the Lewis plan or Goeke bill to establish a postal express carrying packages up to a hundred pounds at a rate to be fixed at less than that now charged by the express companies doing similar service, providing for the condemnation of all the property of all the express companies in the United States, and the Government taking such of the properties as it may need for the conduct of the business, if the same can be had at its fair and reasonable value, and to become effective July 1, 1913.

In my judgment the Lewis plan is the proper solution of this very important question and the one that will afford relief from the evil now visited upon the people. To this postal-express system couple the rural route delivery and the parcel-post project is complete at a reasonable price, one that the people can afford to patronize and one which will prove advantageous to producer and consumer alike, and for the benefit of all classes of people and all kinds of business. It will discriminate against none and give no advantage to one that it does not give to another.

Members of this House are restless over this subject, because they know the people are watching how they vote on this question. The Member who votes against the postal-express plan, in my judgment, will have more trouble during the coming campaign explaining to his people why he voted against such a meritorious measure than any other vote he will cast in this Congress. It will not be sufficient to say he did so because he supported one of the parcel-post plans. In that event he will be told that in each of them the rates are so high that they can not patronize them and hence they will afford no relief. Such an explanation will not suffice. He will be told by his constituency that in supporting the proposed parcel post that the rates are prohibitive, and that it does not furnish a remedy for the existing evils in the transportation of small packages, and hence conditions would not be benefited but, on the contrary, aggravated.

Investigation shows that the freight charge for the average ton is \$1.90; the express charge for the average ton of parcels is \$31.20, based on the average distance of 196 miles. Under the Sulzer plan it would cost \$160 per ton and under the plan proposed by the committee at 12 cents per pound it would amount to \$240 per ton. Does any person flatter himself with the belief that any shipments of any consequence would be made by parcel post if either of these were adopted? The rates are prohibitive, and the express companies would go on charging their exorbitant rates, and the condition of the public would remain unchanged. The exorbitant rates are charged on small packages and this is the evil which demands an adequate remedy. If a reduction is made in transportation charges both producer and consumer would be benefited. Whatever the reduction it will increase the price of the producer and reduce the cost to the consumer, and will inure to the advantage of both. The cheaper the commodity the more universal its consumption, and hence as the cost to carry it from the producer to the consumer is lessened, the amount to be carried is proportionately increased. But the charge provided for in each of the proposed parcel-post plans will not relieve the existing condition, as the charges are prohibitive. The major portion of the commodities which it is expected would be transported are not worth the cost of the transportation at present charges and hence they must waste on the producer's hands and the consumer be denied their use. Naturally the profits of the former are reduced and the wants of the latter are denied.

Another serious objection to each of these plans proposed is the flat rate. The charge is just the same for a short haul as for a long haul—just as much to be transported for 10 miles as for 3,000 miles. This feature is indefensible, and the effect of it would be that the express companies will get the short-haul business and the Government will get the long-haul business. Suppose a person had an 11-pound package to be sent from Washington to Alexandria, Va., a distance of 10 miles. It would cost by the Sulzer plan 88 cents; by the other plan, \$1.32; but it could be sent by express for 25 cents. Which would the party select to transport it? But suppose he desired to send it to San Francisco; by the parcel post it would cost the same price, but by express it would cost three or four dollars, and in such case he would select the parcel post, because it would be cheaper. In the event of the adoption of either of the proposed plans the Government would get the long hauls, which are the expensive ones, and the express companies the short hauls, which are the profitable ones, and the exorbitant charges would remain as they are now. But if the postal-express plan is adopted then a reduction in cost for small packages up to 100 pounds can be secured, and beneficial results to all classes and to all businesses alike will result and a stimulus to prosperity will be furnished and the great public demand satisfied. By its adoption, as proposed in the Goeke bill, the rates can be reduced from those now charged by the express companies about 40 per cent, and carry out the existing contracts which they now have with the railroads, which are, as all know, unreasonably exorbitant. It proposes the elimination of express companies as common carriers, because they are merely parasites in the transportation business, and transfer that business to the Post Office Department, where it properly belongs. If the parcel post up to 11 pounds belongs to that department, then the whole of it does. If not, why not?

The objection urged by some to its adoption is that it is an innovation in conditions existing and would involve the Government in a business venture which might complicate affairs in its administration for the public welfare. But a sufficient answer to this objection is that it is already in the common-carrier business and is proposing to go more extensively into it by the adoption of a parcel-post system. This, then, is only on a more extensive plan, one that will really benefit the public. It is a difference in degree only and not in principle. But another objection is that it is pledging this Nation to the policy of Government ownership. Our answer to that objection is that it is already pledged to it, if this would pledge it, and has been ever since the present Post Office Department was established. The Government owns its mail bags, its wagons, its horses, its buildings, its repair shops, and the equipment now necessary to operate the system, and this addition would only enlarge the system and extend its functions and therefore require more paraphernalia to carry out its new-formed functions. It would not involve the adoption of any new extension of powers, but only the broader use of those already employed.

Another objection urged is that it would involve the expenditure of a large sum of money as a compensation for the express properties or the purchase of new ones, but this contention can not be sustained by the facts, and if the parcel post is established it also will require a large expenditure to place it in operation—the purchase of vehicles, horses, motors, furniture, and other equipment, and the employment of additional help—equally as much as to institute the postal express. Either will involve the outlay of capital.

Here is a statement made to the Government by all the express companies as to the value of their properties:

Assets.	
Expenditures for real property	\$14,932,169.94
Expenditures for equipment	7,381,405.59
Stocks owned	40,912,980.55
Funded debt owned	45,955,672.54
Other permanent investments	25,438,584.11
Cash and current assets	33,682,608.88
Materials and supplies	138,210.78
Sinking, insurance, and other funds	128,491.83
Advance payments on contracts	5,836,666.67
Franchises, good will, etc.	10,877,369.74
Other assets	846,090.33
Profit and loss	91,129.58
Total assets	186,221,380.54

Of the above assets what a small amount is actually employed in the prosecution of the business, and what a small amount the Government would require in taking over the business necessary to operate it.

It would need the equipment valued at:

Equipment	\$7,381,405.15
Materials and supplies	138,210.78
Total	7,519,615.93

Would anyone contend that a parcel-post system could be established for less? The rest of its assets are not employed in the operation of the business and not necessary to its operation. They are investments, outside of its carrier business, to earn profits; the employment of capital realized from the business. They could dispose of these as they desired. With them the Government would have nothing to do. But it has been said that they will unload their "old junk" on the Government. Not so; if they would not sell at a reasonable price then the Government would buy new elsewhere. As a business proposition it is a good one. These companies earned in the operation of the express business for the year ending June 30, 1911, \$152,555,521. Out of every dollar collected from the operation of the express business they pay the railroads for express privileges 47½ cents, which amounted for the year 1911 to \$73,829,450. After paying every charge connected with all the business of every kind and character they had a net surplus of \$10,326,352 for dividends. With less than \$14,000,000 engaged in the actual express business it therefore appears that it is a very attractive business venture.

The express companies, not like railroads, own no lines for transportation, but, like the Government in carrying the mails, employ the railroads and other carriers to transport the articles they undertake to carry. They are now operating over 270,668 miles.

They did not have to invest millions of dollars before they could earn a dollar, but they earned from small investments at the start and with the profits added to their equipment from time to time as business required. They represent practically nothing in original investment. Unlike railroads, they have no franchises, no rights of way, no terminals, no yards, and require no permanent improvements in order to conduct their business. Chattels alone will answer all their requirements. Their business relation to the public is purely parasitic in character. Shall we refuse legislation for 93,000,000 people demanding relief from these parasites because of the fear that some may characterize this procedure as a step in the direction of Government ownership—a step which has already been taken—deny an imperative requirement, and stifle the prosperity of the Nation? If we do, on what ground will we justify our action when we appear before the people at the bar of public opinion to render an account of our official conduct? Will not an angry, if not an injured, constituency pass an adverse judgment upon our public service?

Does not the Government now own and operate its own transports engaged in carrying passengers and freight? Does it not appropriate yearly enormous sums to improve rivers and harbors? Does it not own the Panama Canal, Panama Railroad, operate it and steamers in connection with it? Does it not own and operate its revenue cutters and its battleships? Has not this Government for years been following the policy of building two battleships a year at enormous cost? Is it not preaching peace by words and preparing for war by acts? Millions yearly are appropriated for the public defense, much of which is absolutely wasted; but here is a successful business proposition which will materially promote the prosperity of the entire country, benefit all, and injure none. Shall we adopt it or shall we turn it down? The question is now up to the membership of this House for disposition. If adopted, it will promote the arts of peace, stimulate prosperity, relieve the masses of an enormous burden, and measurably reduce the high cost of living.

Mr. Chairman, the objection of Government ownership should not prevail now against this meritorious proposition and against the imperative demand for relief coming from all sections of the country against the unreasonable charges extorted by the express companies from the people and the necessities existing for cheaper and better facilities for transporting small packages. Congress is called upon to act, to act promptly, and to act efficiently, and if it fails to respond to public requirements in this respect the people will hold it to account for its neglect of duty. [Applause.]

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. SAUNDERS having resumed the chair as Speaker pro tempore, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 102. Joint resolution relative to the rebuilding of certain levees on the Mississippi River and its tributaries.

POST OFFICE APPROPRIATION BILL.

The committee resumed its session.

Mr. MOON of Tennessee. I yield to the gentleman from Oklahoma [Mr. FERRIS].

Mr. FERRIS. Mr. Chairman and gentlemen of the Sixty-second Congress, I have always been in favor of Federal aid for post-road improvement. Every civilized country in the world except ours has long ago committed itself to it. I made a speech on the subject in Congress in 1910 in support of the bill I then had pending. I have had a bill pending for Federal aid to post roads ever since I came here. There were few of us then. I am proud there are so many of us now.

When our forefathers made the Federal Constitution and said in terms as explicit as words can be written the following:

SEC. 8. The Congress shall have power to establish post offices and post roads—

it is my opinion that they expected the Congress of the United States to do that thing. We were then a handful of people. To-day we are a world power, with 92,000,000 people. From 1806 to 1838 the Congress of the United States appropriated from the public funds all told \$7,000,000, and since that they have appropriated for every conceivable thing excepting good roads. I am glad that the good roads advocates joined hands, and shoulder to shoulder are in the very act of forcing this legislation onto this Post Office bill as a rider. It will enhance its chances to avoid being slaughtered at the other end of this Capitol, where they would interpose their usual finespun lack of logic and would in all probability defeat the legislation.

On March 14, 1818, Congress passed the following act:

Resolved, That Congress has power under the Constitution to appropriate money for the construction of post roads, military and other roads, and of canals, and for the improvement of waterways.

Under these authorities just cited we have dug the Panama Canal, at an approximate cost of \$400,000,000. Under these authorities we have appropriated approximately \$725,000,000 for the improvement of the waterways of the country. I ask you why you have answered these two demands, which help part of the people some and part of the people a great deal, and ignored completely the one that is of the deepest interest and concern to all of the people. Why shrug your shoulders behind vague and fine-spun technicalities when the rights of all of the plain people become involved? Why will you always neglect the plain citizen, who has not in the past, does not now, and will not in the future maintain any lobby here or elsewhere in his behalf? Why ignore the man who has not the opportunity to get your ear or look into your face? His trust is supreme, and your efforts, in turn, should know no bounds while he seeks justice at your hand.

The Democratic platform made in Denver in 1908—and, by the way, our last one—has a paragraph which reads as follows:

We favor Federal aid to State and local authorities in the construction and maintenance of post roads.

This language in our last platform seems unusually plain. It is not in hieroglyphics or in terms of innuendo or uncertainty. It says what we favor as a party in our platform. It says what we favor on the stump. I am one of those who believe in doing right here in Congress what we said we would do in platform and on the stump. How can the people who send us here trust us if we advocate one thing on the stump and in our platforms and do another thing when in power? The Republicans have legislated themselves out of power on that very program. Let us not conclude from some fine-spun hypothetical case that we should not grant the people some relief when their demand seems almost universal and our pledge was in fact universal.

Fortunately, we are not without modern authority on the subject of Federal aid for post roads. Cooley, on Constitutional Law—and his worth as a law writer will not, I think, be questioned by lawyer or layman—says:

Every road within a State, including railroads, turnpikes, and navigable streams, existing or created within a state becomes a post road whenever by the action of the Post Office Department provision is made for the transportation of the mails upon or over it.

I shall not longer deal with the flimsy charges of "lack of power" or the unconstitutionality of Federal aid for the post highways of the country. It is my firm belief that no lawyer and only uninformed laymen will longer disagree with me as to the powers of the Federal Government to do the thing we are doing.

RURAL-ROUTE ADVOCATES WERE SCOFFED AT AT THE BEGINNING.

In 1897, when the American Congress made the first appropriation of \$40,000 for aid in the establishment of a rural delivery of the mails, the idea was scoffed at, and it was then by many of the Members of Congress and citizens outside of Congress deemed a wild orgy of speculation—was characterized as a bubble unworthy of solution, totally impossible of accomplishment.

The advocates of the measure were jeered at and complained of and charged with all sorts of paternalism; all sorts of criticism was hurled at them. To-day how changed. None so poor

as to do the opponents reverence. To-day this Congress is appropriating \$43,000,000 for rural routes, and everyone sanctions the appropriation. No one now says it is paternalism. No one now complains of it as a bubble. No one would repeal it if he could. No one could repeal it if he would.

I tell you, sir, dear as the rural route is to the American farmer, dearer yet to him is the subject of highway improvement. All the civilized countries of the world have acted and become thoroughly committed to it. You may refuse it to-day, but this question will not end. This question will not down.

I am not a paternalist. I do not want the Federal Government to trespass upon the rights of the States or override one of their prerogatives; but I tell you, sirs, there must be more of the benefits of Government going to all of the people within and less of the benefits going to a few of the people both within and without, or complaints and criticisms will increase rather than diminish.

GOVERNMENT GRANTS TO RAILWAYS OWNED BY THE FEW.

This Government has granted 159,125,734 acres of the public domain to the railroads of the country to encourage them in railway building. This acreage, at \$10 per acre, would be and amount to an appropriation of \$1,591,257,340 of the people's money. This was the granting away of homes for 3,988,143 American families of 40 acres each. This was not for the benefit of all of the people and to remain their own, but was for the direct benefit of the railways, to become their private property, and, at best, only for the indirect benefit of all of the rest of us.

I hope I may not be egotistical in saying no grant of land to any railway for any purpose has been made by Congress since the Democrats came into power. Again I hope it will be at least pardonable to say that not one grant of public land has been made to any railroad since I was appointed on the Public Lands Committee, which is the sole committee having to do with the making of such grants. I hope it will not be the part of a bigot to assert that so long as I remain a member of that committee there shall be no more grants without a minority report and a protest from me in the committee, on the floor of the House, to the President, and to the press. No longer shall Congress be heard to grant without protest the heritage of the children here and those unborn. Subsidies may be correct, necessary, and proper in certain cases, but surely not longer should the land which shall be the future homes of our boys and girls be granted to railways, who will monopolize them, extort inhuman prices for them, and otherwise make the acquirement of an American home impossible.

WATERWAYS AND THE AMOUNTS APPROPRIATED FOR THEM.

This Government has been generous with the waterways of the country. We passed through this House this very Congress for the improvement of the waterways of the country \$26,262,520.50, and I presume the Senate will double that amount before the bill becomes a law. We of the inland and the high, dry, streamless prairies of the West did not assume a narrow view of the matter and oppose you or seek to oppose you, but, on the contrary, we supported you. I ask with what consistency or propriety can you "deep-waterway Members," who have had so much done for you, so grudgingly grant relief, not alone to us but you as well? This assistance at the hands of the Government is not local but universal instead. This amendment ought to be adopted by a unanimous vote. That it will be adopted by a large majority is the prediction of its friends and the solemn admission of its enemies.

FEDERAL AID FOR PUBLIC BUILDINGS.

Our generous Government has appropriated for the construction of Federal buildings throughout the Republic the sum of \$247,473,374, which have benefited the particular local communities in which the buildings are located. It, of course, has been of service likewise to the Government where they have to maintain offices, but I think there are comparatively few who will contend that their virtues are as equally distributed or of such general concern as the improvements of the roads that are the property of us all. I think there must be few who would not agree that one is general and the other, at best, local. One has been neglected and one has been cared for. The fight of the "good-roads" advocates stands on the wholesome foundation of fairness. Oppose it and scorn it if you will; it is but the common fate of everything that is new, however righteous and just it may be. If it does not come now it will come soon. I think it will pass this House to-day.

ARMY AND NAVY APPROPRIATIONS ALL OUT OF PROPORTION.

The Federal Government has appropriated for the last 10 fiscal years the enormous sum of \$2,091,848,793.18 for the support of the Army and Navy. I am not now, have never been in the past, and can not conceive of any state of mind in

the future when I would criticize this Government for appropriating a sufficient amount to maintain our safety and protection and self-respect at all times; but in times of profound peace, with not a war cloud in sight, I fear we have made haste with the people's money for War and Navy appropriations at unwarranted speed. Let us ever keep the fires of patriotism blazing in the heart of the citizen from light burdens and light taxes, rather than to stand with uplifted musket ready to strike him down because he complains that his burdens are more than he can stand. Let me again assert that the best defense any country can have is a happy, prosperous, and contented people. A just distribution of the blessings of government for internal improvements is the surest way to accomplish it. The American people are interested more in roads than in armament, more in roads than in militia, more in driveways than in muskets, more in fair treatment than in brute force.

The American Congress is appropriating too much for war and too little for peace. The American Congress is appropriating too much for war and too little for agriculture and internal improvements.

The increase in the average appropriations for Army and Navy for the eight years succeeding the War with Spain over the eight preceding years is \$1,072,000,000. This increase for the last eight years would, if you please, expend under the co-operative plan \$2,000 on every mile of post road in the United States and leave in the Treasury for extension more than \$97,000,000. The 90,000,000 American people have the right to ask, Would not the latter expenditure on roads benefit all more than the increase in annual appropriations for war or navy? The people have a right to your reply. This eight-year increase exceeds the national debt by \$158,000,000.

It exceeds the entire expense of the Government for the whole year of 1910.

It is three times the estimated cost of the Panama Canal.

It is more than the entire irrigation projects planned for the next generation.

It is \$60 for every family in the United States. Interest on this increase for the past eight years at 8 per cent would yield \$2,000 per year to every family making up a city of 200,000 population.

Our defenses prior to 1898 were adequate, and why not presume that they are adequate now? No war clouds hover around or about us. Why not spend this enormous increase on internal improvements and legislate the hearts of this country closer to the Government by light burdens, rather than drive them away with heavy burdens? Four hundred million dollars annually for war and navy and \$10,000,000 for agriculture is all out of proportion and will not operate to cement us together, but will drive us apart. It will unnecessarily tax us beyond our endurance. It will burden us for things we do not need. It will necessitate neglect of things we do need. How wrong it is to appropriate so much for war and so little for industry and peace. One appropriation makes widows and orphans, while one feeds hungry mouths and clothes threadbare limbs.

One is to maim and kill, the other brings peace, progress, and success.

War places homes in ashes. Peace and industry build homes instead of hovels.

One unites families in patriotism and love, the other dissipates and disrupts the home.

One adds to love of country and patriotism, the other to bluster, heartaches, disaster, and want.

I tell you such inequities can not go on without my protest. I tell you, sir, if this extravagance does not cease, my protest will be the protest of the many. [Applause.]

OPponents CHARGE IMPOSSIBILITY OF ACCOMPLISHMENT.

This charge is a general one, but I meet it squarely and join issue with them squarely, that it is not impossible of performance and will submit some statistics that I think will please the friends of good roads and will at least amaze our enemies. Comparison is a wholesome rule. It brings to light the good and bad there is in any proposition and stands them naked side by side.

There are in the Republic to-day 42,169 rural routes of an average length of 24 miles each. This makes an aggregate mileage of 1,012,056 miles of rural routes all told. It is fair to assume that at least one-fourth of them have been improved by the States or do not need improving, so we may take as a basis three-fourths of the total mileage of 759,042 miles of routes that need improvement. I think it is safe to say that there is no State in the Union which would not expend one-half of the cost of the improvement at an estimated cost of \$2,000 per mile. Hence the Federal Government would only have to expend \$1,000 per mile on a total mileage, or \$759,042,000 all told. It will be observed if the amount of \$725,000,000 here-

tofore expended for waterways it would have improved the rural routes of the United States lacking the price of two battleships. I tell you, sirs, the improvement of the post roads of this country is not an impossibility but a burning necessity instead.

Again it will be observed that the approximate cost of the construction of the Panama Canal of \$400,000,000 would improve more than half of the post highway in the country.

Again we will observe that if we appropriate the same amount for road improvement each year that we have appropriated annually for the last five years for waterways, every route in the United States will be converted into a turnpike.

Again we must observe that if we had used the amount of \$247,473,374 heretofore appropriated for public buildings on the highways over which post roads are established and would appropriate an equivalent amount each year for three succeeding years, every route in the country would be provided for and the Republic would not be in bankruptcy. The public would not complain, but would rejoice instead.

Again, we must observe with some degree of alarm the expenditures of the Government for war and Navy for the purpose of this comparison. The amount we have used for Army and Navy the last three years would improve every post road now in existence and leave a balance of \$76,730,516.37 for extensions and improvements. One-half of the annual appropriation would keep them in repair and make the necessary extensions as the routes increased.

I might at the risk of being tedious with comparisons show how well able this Republic, with her 90,000,000 patriotic people, can afford to undertake this improvement, but it seems quite sufficient to know that every other civilized country of the world has begun to turn their attention to the improvement of post roads, are thoroughly committed to it; that we, at the very foot of the class, have power to do it legally and within the Constitution. Why falter? Why wait?

Let the rural routes be extended, and also the roads over which the faithful carrier daily travels. Let the daily paper be each night handed to the farmer, with tired muscles and limbs, but with rested brain. Let the mail go to him and to his family, and the education and golden results that it accomplishes flow to him free and untrammelled. It is worth more to us in war, as well as in peace, to have a prosperous, patriotic people, free from excessive taxes from without and more internal improvements from within. This law is for the plain people, who will defend us in time of war, who will feed us in times of peace. This service must never be reduced, but rather extended and increased. Carve other appropriations. Yea, carve them all rather than to touch one hair in the head of this appropriation for the producers of this country.

Let the ignorant be educated. Let the weak be made strong. Let equal rights to all and special privileges to none ever be the watchword and the glory of this Nation of nations.

Every heart swells with pride when we point to the sisterhood of States as standing at the very head of all the nations of the earth in power and in greatness. But how it must wound the pride of every true American to admit that with all our zeal, our energy, and ambition we stand at the very bottom when it comes to the improvement of our post roads. England, France, Germany, Belgium, and all of the civilized nations of the earth have improved their highways, and here we are faltering and waiting and neglecting a duty we owe to the country and to all. Finespun constitutional objections will not answer this almost universal demand of the people. It is not sound even as a purely legal objection.

IMPROVE THE ROADS AND DRIVE THE BOYS BACK TO THE FARMS.

One of the greatest dangers that to-day haunt the American people is the universal desire of the American boy to leave the farm and go to the bright lights of the cities and the crowded centers. This mania is not without a reason, and that reason is apparent to us all. With bad roads, the boy or girl living in the rural communities is denied the use of the higher education that goes with the city school and that is impossible in the country schools where the country is sparsely settled. It denies the country boy or girl the churches, the libraries, the theaters, and places of amusement. With improved post roads and highways this distance will be annihilated, this evil will be remedied, and the farmer's daughter and son, respectively, will share in the benefits that their industry and frugality so richly entitle them to.

These conditions are some of the things that is allowing the farm to grow up in weeds; these are the conditions that make the cost of living so extremely high; these are the evils that will cause this Nation to retrograde if not changed, and it is the duty of this Congress to adopt our amendment to this bill.

To improve the highways and allow them the advantages offered by the city will but make their race for the good things in life equal. It must be equal to get best results.

I again repeat: Give the farmer's son and daughter a chance to attend the churches, the libraries, the theaters, the colleges, and their frugality, their industry, and earnestness of manner will but win for them the success that their efforts, industry, frugality, and intelligence have long entitled them to.

Improve the highways and make farm life more attractive and the congested conditions in the great centers will cease, and the farmer's son will take his back track and again take up his avocation on the farm with a light heart and willing hands. It can but result in good to all. It will increase the scope of employment in the cities and towns. It will increase the Nation's wealth. It will develop the bald prairies of the West and convert plain and forest into a garden of homes, and the world will prosper and improve as it has never done before.

The consumer can live more cheaply and care for wife and baby better. The farmer, with farm under a high state of cultivation, can produce and market more products at a greater profit. The products of the farm, the mine, and the forest can be brought to the door of the factory, and the world will be made brighter and better from every aspect.

Let us not neglect the old homestead until it grows up in the weeds of neglect. Let us not be unmindful of the adage, old but true, "That you may tear down the cities and towns of this Nation and willing hands will rebuild them, but forsake the farm and disaster will ensue." In order that we have cities we must first have farms. In order that we have farms we must have markets. In order to have markets we must have transportation. In order to have transportation we must have roads. I tell you, sir, we must have both State and Nation working together and in unison and in accord on this all-important subject of highway improvement.

MORE INTERNAL AND LESS EXTERNAL IMPROVEMENTS ARE NEEDED.

We must spend more within and less without. Improve the conditions within and we will have no fears from without. Make the improvements for those who are here to-day secure and make them more secure to those who are to follow us. Money spent on internal improvements, thereby enhancing the wealth of the Nation, insuring peace among ourselves, is the salvation of the Republic. Practicing this, patriotism will ever increase and never wane as the years speed by.

Internal improvements, in which the plain people have a deep and immediate interest rather than a remote one will do more to keep us a happy, closely united, and contented people than all the subsidies paid to railroads, to mail ships and steamships, to tariff subsidies, and high duties laid on the one least able to bear and for the benefit of the class least in need. I tell you, sir, the American people will not sit idly by and be ground down by inequalities and inequities for which you can give no good or adequate answer. I tell you, sir, in a Republic where all are free and equal you shall not trample down the many for the glories of the few.

Hundreds of millions for war and navy annually and not one cent for improvement of the highways and post roads of the country will not satisfy them when they know, and they shall know as long as such injustice and inequality prevails.

I tell you, sir, appropriations ranging from twenty-five to forty millions annually for waterways and not one cent for post roads will not satisfy them when they know, and the truth will out.

Millions for post offices and public buildings for a few towns of the country and no assistance for the post roads and the little towns will not satisfy them. It will not square with frank, fair, and honest treatment.

A billion-dollar session of an Aldrich-Cannon-Republican Congress and not one cent for post roads or internal improvements did not satisfy the producers, who send abroad annually \$600,000,000 in products from their toil, zeal, and industry, thereby replenishing our Treasury to the brim. They sent a Democratic House in their stead, expecting us to act.

Republican Congresses of the past have arranged tariff schedules for the manufacturer, so that his riches are greater than he ever anticipated. They have subsidized the railroads with land grants until they have grown corpulent with wealth. They have increased the appropriations for the war and navy until the patience of this citizenship is almost exhausted, and now, when asked to do something for the plain citizen, who produces more every year than he himself consumes, they answer with the words "economy" or "unconstitutionality." It is no answer, and you shall not plead it. The masks shall be torn from your faces, and the taxpayer shall know the truth. He shall know whether you favor good roads or bad roads, shall know whether you are in favor of repopulating the farms or allowing

them to grow up in weeds, shall know whether or not you are in favor of reducing the cost of living for the consumer and increase the profit of the producer.

I tell you every civilized country is aiding in road building save our own. Why should this fair Republic, with her 92,000,000 industrious, clear-headed people, longer delay such a universal blessing? Why should we longer delay in such a universal demand from the people in all the walks of life. We of the inland do not oppose your coast protection and coast defense merely because we do not live on the coast. We of the prairies do not oppose the improvement of the rivers because we have no rivers. Why and with what consistency can New York and other Members become so effervescent and cry out against this bill? Simply because their States have improved a part of their roads at State expense. Good roads are the property of all. We should all unselfishly go about their improvement. All should share in their upbuilding. All can use them together. All can enjoy them together. It will add to the beauty, grandeur, and usefulness of the entire country.

Good roads bring the products of the mine and forest to the factory door.

Good roads bring thrift to the farmer, thrift to the consumer, and wealth to the Nation.

Good roads make farm life pleasant, profitable, and enhances Good roads will bring us more rural routes—will bring us better ones and more efficient ones.

They make better homes, happier firesides, more patriotic people.

They are the avenues of progress and the highest and best proof of the intelligence we enjoy.

It does justice to producer and consumer and withholds injustice from all.

They save time, labor, money, and failure. They patronize the railways and the waterways you have appropriated for so lavishly.

Highways, I tell you, sir, are not the property of any one man or class of men, but are the property and the interest of everyone, whether he be black or white, educated or uneducated, weak or strong, high or low, savage or civilized. They are the property of us all, and we should all aid in their upbuilding.

The beneficent effects of good roads flow to the city and the hamlet as well as to the farmer. They walk hand in hand in community of interest, and surely it is a picture beautiful to look upon and sound at the core.

Good roads are indispensable to our growth and progress and we must not falter or wait to provide for them. [Applause.]

Mr. GARDNER of New Jersey. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. STEENSON] 15 minutes.

Mr. MANN. Mr. Chairman, we have had a long day. Let us quit. I think the gentleman from Minnesota ought to be heard when there are more Members present in the House.

Mr. MOON of Tennessee. Is there a quorum present?

Mr. MANN. I do not think there is.

Mr. MOON of Tennessee. Very well. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and Mr. SAUNDERS having taken the chair as Speaker pro tempore, Mr. FLOYD of Arkansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 21279) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1913, and for other purposes, and had come to no resolution thereon.

SENATE JOINT RESOLUTION REFERRED.

Under clause 2, Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. J. Res. 102. Joint resolution relative to the rebuilding of certain levees on the Mississippi River and its tributaries; to the Committee on Rivers and Harbors.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. HOWARD, for five days, on account of important business.

To Mr. ANDERSON of Ohio, for two days, on account of sickness of his father.

ADJOURNMENT.

Mr. MOON of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Friday, April 26, 1912, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. FOSTER of Illinois, from the Committee on Mines and Mining, to which was referred the bill (H. R. 22342) to create a commission on mining industry, reported the same without amendment, accompanied by a report (No. 596), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. GOEKE, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 23713) to regulate commerce with foreign countries and between the States and to increase the facilities and efficiency of the postal service, reported the same without amendment, accompanied by a report (No. 597), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HUMPHREYS of Mississippi, from the Committee on Rivers and Harbors, to which was referred the joint resolution (H. J. Res. 309) appropriating money for the repair of levees on the Mississippi River, reported the same with amendment, accompanied by a report (No. 599), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. TAYLOR of Colorado, from the Committee on the Public Lands, to which was referred the bill (H. R. 23238) to authorize the issuance of absolute and unqualified patents to public lands in certain cases, reported the same without amendment, accompanied by a report (No. 603), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. BEALL of Texas, from the Committee on Agriculture, to which was referred the bill (H. R. 56) to prohibit interference with commerce among the States and Territories and with foreign nations, and to remove obstructions thereto, and to prohibit the transmission of certain messages by telegraph, telephone, cable, or other means of communication between States and Territories and foreign nations, reported the same without amendment, accompanied by a report (No. 602), which said bill and report were referred to the House Calendar.

REPORT OF COMMITTEE ON PRIVATE BILL.

Under clause 2 of Rule XIII,

Mr. SELLS, from the Committee on Pensions, to which was referred the bill (H. R. 23765) granting pensions and increase of pensions to soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, reported the same without amendment, accompanied by a report (No. 598), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 18606) for the relief of Walter S. Wyatt; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 22685) for the relief of Peter McKay; Committee on Pensions discharged, and referred to the Committee on Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. RAKER: A bill (H. R. 23760) requiring life-saving facilities on all passenger vessels, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 23761) appropriating money for the mint at San Francisco, Cal., in full compensation for maintaining said mint and for all services, salaries, wages, and incidental and contingent expenses of the fiscal year ending June 30, 1913, and for other purposes; to the Committee on Appropriations.

By Mr. MARTIN of Colorado: A bill (H. R. 23762) to complete the erection of a public building at La Junta, Colo.; to the Committee on Public Buildings and Grounds.

By Mr. MORSE of Wisconsin: A bill (H. R. 23763) to create a fidelity division in the Treasury Department and to reduce the cost of fidelity bonds to officers, agents, and employees of the

Government; to the Committee on Expenditures in the Treasury Department.

By Mr. ANDERSON of Ohio: A bill (H. R. 23764) to regulate the hours of labor on contracts with the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. MOTT: A bill (H. R. 23766) regulating the clearance of certain vessels at the ports of the United States; to the Committee on the Merchant Marine and Fisheries.

By Mr. HAMLIN: A bill (H. R. 23767) granting to Ralph Morrison rights in so far as the interest of the United States may be affected to construct and maintain a reservoir dam across the Osage River for the development of water power at a point about 3 miles above the town of Warsaw, Benton County, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Kentucky (by request of the Commissioners of the District of Columbia): A bill (H. R. 23768) to amend the Code of Law for the District of Columbia; to the Committee on the District of Columbia.

By Mr. CARY: A bill (H. R. 23769) providing for equipment of apparatus and operators for radio communication at all life-saving stations; to the Committee on Interstate and Foreign Commerce.

By Mr. LANGLEY: A bill (H. R. 23770) to establish in the Department of Agriculture a bureau to be known as the bureau of public highways, and to provide for national aid in the improvement of the public roads; to the Committee on Agriculture.

By Mr. CLAYTON: A bill (H. R. 23771) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; to the Committee on the Judiciary.

Also, a bill (H. R. 23772) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; to the Committee on the Judiciary.

Also, a bill (H. R. 23773) to amend an act entitled "An act to prevent the disclosure of national defense secrets," approved March 3, 1911; to the Committee on the Judiciary.

By Mr. HUBBARD: A bill (H. R. 23774) providing an appropriation to check the inroads of the Missouri River in Dakota County, Nebr.; to the Committee on Rivers and Harbors.

By Mr. CURRY: A bill (H. R. 23775) to amend section 13 of the act of June 20, 1910, being "An act to enable the people of New Mexico to form a State government," etc., and providing for two in lieu of one judicial district in New Mexico; to the Committee on the Judiciary.

By Mr. TAYLOR of Colorado: A bill (H. R. 23776) to amend an act entitled "An act to provide for an enlarged homestead"; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. SELLS: A bill (H. R. 23765) granting pensions and increase of pension to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; to the Committee of the Whole House.

By Mr. ANDERSON of Ohio: A bill (H. R. 23777) granting an increase of pension to Conrad Stephan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 23778) granting an increase of pension to William H. Vance; to the Committee on Invalid Pensions.

By Mr. CURRY: A bill (H. R. 23779) granting an increase of pension to Charles E. Bonsall; to the Committee on Invalid Pensions.

By Mr. DIFENDERFER: A bill (H. R. 23780) for the relief of Margaret McQuade; to the Committee on Claims.

By Mr. DYER: A bill (H. R. 23781) granting a pension to Walter F. Fry; to the Committee on Invalid Pensions.

By Mr. FORNES: A bill (H. R. 23782) granting a pension to Nora Fitzgerald; to the Committee on Pensions.

By Mr. LAFEAN: A bill (H. R. 23783) granting an increase of pension to Daniel R. Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 23784) for the relief of Jesse M. Walter; to the Committee on War Claims.

By Mr. LEE of Pennsylvania: A bill (H. R. 23785) granting an increase of pension to Daniel Nagle; to the Committee on Invalid Pensions.

By Mr. LEGARE: A bill (H. R. 23786) to appoint Robert Stephenson Simons on the retired list of the United States Marine Corps; to the Committee on Naval Affairs.

By Mr. LITTLEPAGE: A bill (H. R. 23787) for the relief of the heirs of W. F., J. H., and Jacob Goshorn, deceased; to the Committee on War Claims.

By Mr. MORSE of Wisconsin: A bill (H. R. 23788) granting a pension to Albert Ross; to the Committee on Invalid Pensions.

By Mr. MURRAY: A bill (H. R. 23789) granting an increase of pension to Thomas H. Nolan; to the Committee on Invalid Pensions.

By Mr. RUCKER of Missouri: A bill (H. R. 23790) granting an increase of pension to Emsey O. Young; to the Committee on Invalid Pensions.

By Mr. THISTLEWOOD: A bill (H. R. 23791) granting an increase of pension to Henry Senne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 23792) granting an increase of pension to John B. Cason; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ANDERSON of Minnesota: Petition of John Peshon and 3 others, of Minnetska, Minn., against extension of the parcel-post system; to the Committee on the Post Office and Post Roads.

By Mr. ASHBROOK: Memorial of the Ohio Society, Sons of the Revolution, asking that the unpublished archives of the United States Government relating to the War of the Revolution be assembled in one collection; to the Committee on Military Affairs.

Also, petition of W. S. Harding and 8 other merchants of Johnstown, Ohio, asking that Congress enlarge the power given to the Interstate Commerce Commission over express companies; to the Committee on Interstate and Foreign Commerce.

Also, petition of A. A. Gard and 20 other citizens of Newark, Ohio, against the enactment of any legislation tending toward the prohibition of interstate commerce of liquors; to the Committee on the Judiciary.

By Mr. AYRES: Petition of residents of New York City, for free passage of American ships through the Panama Canal, etc.; to the Committee on Interstate and Foreign Commerce.

By Mr. BOWMAN: Memorial of the Chamber of Commerce of San Diego County, Cal., remonstrating against House bills 11372 and 20576, to prohibit the towing of log rafts or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

Also, petition of citizens of Wilkes-Barre, Pa., for enactment of House bill 22339 and Senate bill 6172; to the Committee on the Judiciary.

Also, petition of John Brice Jackson, of the Pennsylvania State College, for enactment of the Page agricultural bill; to the Committee on Agriculture.

By Mr. CALDER: Petition of the American Humane Association, of Albany, N. Y., favoring passage of House bill 17222, against shipping of unweaned calves; to the Committee on Interstate and Foreign Commerce.

Also, petition of the Stationers' Board of Trade, of New York, against amendment of the patent law; to the Committee on Patents.

By Mr. CARY: Petition of faculty of the River Falls State Normal School, Wisconsin, favoring the Page avocational bill; to the Committee on Agriculture.

By Mr. CATLIN: Petition of C. J. Helmerichs Leaf Tobacco Co., of St. Louis, Mo., urging passage of House bill 22766 and Senate bill 6103, prohibiting use of trading coupons; to the Committee on Ways and Means.

Also, petition of Clarence H. Chamberlin, secretary of Carpenters' Local No. 257, St. Louis, Mo., urging passage of House bill 22339, prohibiting the use of the stop watch in making time study of the movements of any Government employee; to the Committee on the Judiciary.

By Mr. COPLEY: Petition of members of the First Methodist Episcopal Church and citizens of Elgin, Kane County, State of Illinois, favoring passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

Also, petition of citizens of Joliet, Ill., urging building of one battleship in a Government navy yard; to the Committee on Naval Affairs.

Also, petition of citizens of Plainfield, Ill., protesting against a parcel-post system; to the Committee on the Post Office and Post Roads.

By Mr. DRAPER: Petition of the Chamber of Commerce of San Diego County, Cal., against House bills 11372 and 20576,

prohibiting the towing of log or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

By Mr. DYER: Memorial of the National Dental Protective Association, for enactment of Senate bill 5177; to the Committee on Patents.

Also, petition of Tait-Nordmeyer Engineering Co., of St. Louis, Mo., in favor of 1-cent letter postage; to the Committee on the Post Office and Post Roads.

Also, petition of the Chamber of Commerce of San Diego County, Cal., protesting against House bills 11372 and 20576, prohibiting the towing of log rafts or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

Also, petition of W. P. Capes, of New York City, favoring changes in existing laws specifying the character or number of life-saving appliances on vessels leaving our ports; to the Committee on the Merchant Marine and Fisheries.

By Mr. ESCH: Memorial of the California Wholesale Grocers, for legislation to regulate the marketing of merchandise in packages and containers by prescribing that net weights and numerical count must be shown on the same; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Chamber of Commerce of San Diego County, Cal., remonstrating against House bills 11372 and 20576, to prohibit the towing of log rafts or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

By Mr. FORNES: Memorial of the New York State Mayors' Conference, relative to legislation requiring life-saving facilities on ocean passenger vessels; to the Committee on the Merchant Marine and Fisheries.

Also, petition of the Chamber of Commerce of San Diego County, Cal., against House bills 11372 and 20576, prohibiting the towing of log rafts or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

Also, petition of members of United Harbor of the American Association of Masters, Mates, and Pilots, indorsing and supporting Senate bill 2117 and similar bill in the House, being Calendar No. 64 and Report No. 233, to promote the efficiency of the Public Health and Marine-Hospital Service; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER: Petition of Ed. Welland, of Peru, Ill., in favor of the passage of House bill 22766, to prohibit the use of trading coupons, etc.; to the Committee on Ways and Means.

By Mr. GOULD: Petition of John Dority Grange, No. 381, of Maine, favoring passage of a parcel-post system; to the Committee on the Post Office and Post Roads.

By Mr. HILL: Petition of members of the Arkwright Club, of Boston, Mass., against the adoption of the Covington amendment to the Panama Canal bill regulating the passage of vessels through the Panama Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWELL: Petition of J. Simms, manager Orpheus Theater, Vernal, Utah, favoring certain amendments to the copyright act of 1909; to the Committee on Patents.

Also, petition of the Good Roads Association of Utah, favoring a grant of 1,000,000 acres of land to the Western States to aid in the building of good roads therein; to the Committee on Agriculture.

Also, resolutions of the Commercial Club of Salt Lake City, Utah, in favor of the opening of the Yellowstone National Park to automobiles; to the Committee on the Public Lands.

By Mr. LAFFERTY: Petition of Jacob H. Traynor and other citizens of Perry, Oreg., for the extension of parcel post, and T. J. Fitzinger and others, of Portland, Oreg., against the extension of parcel post; to the Committee on the Post Office and Post Roads.

By Mr. LINDSAY: Memorial of the Chamber of Commerce of San Diego County, Cal., remonstrating against House bills 11372 and 20576, prohibiting the towing of log rafts or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of the New York State Mayors' Conference, relative to legislation requiring life-saving facilities on ocean passenger vessels; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of members of United Harbor No. 1, of the American Association of Masters, Mates, and Pilots, for legislation to promote the efficiency of the Public Health and Marine-Hospital Service; to the Committee on Interstate and Foreign Commerce.

By Mr. McKINNEY: Petition of citizens of New Boston, Mercer County, State of Illinois, favoring passage of Kenyon-

Sheppard Interstate liquor bill; to the Committee on the Judiciary.

By Mr. MOTT: Petition of the Chamber of Commerce of San Diego, Cal., against House bills 11372 and 20576, prohibiting the towing of log or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

By Mr. PARRAN: Papers to accompany bill for the relief of W. H. Hardesty, administrator of the estate of Uriah M. Johnson; to the Committee on War Claims.

Also, petition of 99 citizens of Prince Georges County, Md., favoring passage of a bill providing for the illiteracy test for immigrants; to the Committee on Immigration and Naturalization.

By Mr. RAINEY: Petition of Lucy H. Gillett and other members of Illinois College, Home Economics Department, favoring passage of Page bill; to the Committee on Agriculture.

By Mr. RAKER: Memorial of the Fortuna (Cal.) Board of Trade, for 1-cent letter postage; to the Committee on the Post Office and Post Roads.

Also, petition of Northern California Wholesale Grocers' Association, of San Francisco, Cal., favoring passage of House bill known as Stevens bill and Senate bill known as Burton bill; to the Committee on Interstate and Foreign Commerce.

Also, resolutions of the Chamber of Commerce of Los Angeles, Cal., favoring good roads and the Raker bill (H. R. 23414); to the Committee on the Public Lands.

Also, memorial of the Chamber of Commerce of San Diego, Cal., protesting against House bills 11372 and 20576, prohibiting the towing of log or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

Also, resolutions of the Chamber of Commerce of San Francisco, Cal., favoring passage of House bill 17736, for 1-cent letter postage; to the Committee on the Post Office and Post Roads.

Also, petition of the Chas. Nelson Co., of San Francisco, Cal., protesting against House bill 21100; to the Committee on the Judiciary.

By Mr. SABATH: Memorial of the California Wholesale Grocers, favoring passage of House bill known as Stevens bill and Senate bill known as the Burton bill; to the Committee on Interstate and Foreign Commerce.

Also, memorial of Allyn K. Capron, Jr., Camp, No. 6, Department of Illinois, United Spanish War Veterans, favoring passage of Crago bill (H. R. 17470) providing for pensions for widows and minor children of Spanish War veterans; to the Committee on Pensions.

By Mr. SCULLY: Petition of Ira B. Tice Lodge, No. 309, Brotherhood of Railroad Trainmen, for enactment of Senate bill 5382 and House bill 20487; to the Committee on the Judiciary.

By Mr. SMITH of California: Petition of the Chamber of Commerce of San Diego, Cal., against House bills 11372 and 20576, prohibiting the towing of log or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

Also, petition of the National Grange, favoring adoption of a parcel-post system; to the Committee on the Post Office and Post Roads.

By Mr. STEPHENS of California: Resolution of the City Club of Los Angeles, Cal., urging passage of bill providing for creation of permanent nonpartisan tariff board; to the Committee on Ways and Means.

By Mr. STERLING: Petition of William T. Sherman Post, No. 146, Grand Army of the Republic, for enactment of House bill 14070; to the Committee on Invalid Pensions.

By Mr. SULZER: Petition of the Chamber of Commerce of the State of New York, favoring emergency appropriation of \$1,500,000 with which to repair the levees of the Mississippi River so as to protect this year's crop; to the Committee on Rivers and Harbors.

By Mr. TALCOTT of New York: Memorial of the Chamber of Commerce of San Diego, Cal., remonstrating against House bills 11372 and 20576, to prohibit the towing of log rafts or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

By Mr. TAYLOR of Alabama: Petition of union church meeting, Mobile, Ala., favoring passage of Lea-Sims bill to forbid interstate transmission of race-gambling odds and bets; to the Committee on the Judiciary.

Also, petition of the union meeting of churches, Mobile, Ala., favoring passage of Kenyon-Sheppard interstate liquor bill; to the Committee on the Judiciary.

By Mr. THAYER: Petition of members of Patrons of Husbandry of the State of Massachusetts, for parcel-post legislation, etc.; to the Committee on the Post Office and Post Roads.

By Mr. THISTLEWOOD: Petition of citizens of Johnston City, Ill., favoring building of one battleship in a Government navy yard; to the Committee on Naval Affairs.

By Mr. TILSON: Petition of the Winchester Repeating Arms Co., of New Haven, Conn., protesting against proposed legislation to limit the right of the patentee to dictate as to the sale or manufacture of the specific article on which he is granted a patent; to the Committee on Patents.

Also, petition of Alexander Hamilton Chapter, Sons of the American Revolution, for legislation authorizing the collection and copying of records of the soldiers and sailors of the American Revolution; to the Committee on Military Affairs.

Also, memorial of the New York State Mayors' Conference, relative to legislation requiring life-saving facilities on ocean passenger vessels; to the Committee on the Merchant Marine and Fisheries.

Also, petition of the American League of Associations, protesting against parcel-post legislation; to the Committee on the Post Office and Post Roads.

By Mr. TOWNER: Petition of 35 citizens of Hamburg, Iowa, against the enactment of the proposed parcel-post law; to the Committee on the Post Office and Post Roads.

By Mr. UNDERHILL: Memorial of the Chamber of Commerce of San Diego County, remonstrating against House bills 11372 and 20576, to prohibit the towing of log rafts or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

By Mr. WILSON of New York: Memorial of the Chamber of Commerce of San Diego County, remonstrating against House bills 11372 and 20576, to prohibit the towing of log rafts or lumber rafts through the open sea; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of the New York State Conference of Mayors, relative to legislation requiring life-saving facilities on ocean passenger vessels; to the Committee on the Merchant Marine and Fisheries.

SENATE.

FRIDAY, April 26, 1912.

The Senate met at 2 o'clock p. m.

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.

Mr. GALLINGER took the chair as President pro tempore, under the previous order of the Senate.

The Journal of yesterday's proceedings was read and approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed a bill (H. R. 38) to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the President pro tempore:

H. R. 13988. An act to authorize the Director of the Census to collect and publish additional statistics of tobacco;

H. R. 19212. An act making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1913; and

H. R. 22580. An act to authorize the change of the names of the steamers *Syracuse* and *Boston*.

PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore presented a memorial signed by members of the United German Societies of the District of Columbia, remonstrating against the enactment of legislation to regulate the sale of intoxicating liquors in the District of Columbia, which was ordered to lie on the table.

He also presented a petition of the Woman's Christian Temperance Union of Griffith, Colo., praying for the adoption of an amendment to the Constitution to prohibit the manufacture, sale, and importation of intoxicating liquors, which was referred to the Committee on the Judiciary.

Mr. CULLOM. I present a communication from the secretary of the Illinois Branch of the National League for Medical Freedom, transmitting a large number of memorials signed by the Illinois members of that league remonstrating against the passage of Senate bill 1, known as the Owen medical bill. I ask that the memorials lie on the table and that the letter from the secretary be printed in the Record.

There being no objection, the memorials were ordered to lie on the table and the letter to be printed in the Record, as follows:

ILLINOIS BRANCH,
THE NATIONAL LEAGUE FOR MEDICAL FREEDOM,
Chicago, Ill., April 23, 1912.

Hon. SHELBY M. CULLOM,
Care the Capitol, Washington, D. C.

DEAR SIR: Under separate cover, the Illinois Branch of the National League for Medical Freedom has forwarded to you petitions protesting against the passage of Senate bill No. 1, known as the Owen bill. The bill, as you know, creates an independent health service, to which are transferred three branches of existing departments.

The Illinois members of the National League for Medical Freedom believe the Owen bill to be a dangerous measure, and trust that you will use your best efforts to defeat its passage. You are respectfully requested to read the protest of the Illinois branch into the Record and to present the petitions to the honorable United States Senate.

Yours, truly,

ILLINOIS BRANCH OF THE NATIONAL
LEAGUE FOR MEDICAL FREEDOM,
JOSEPH C. MASON, Secretary.

Mr. CULLOM. I also present a number of telegrams in the nature of memorials, remonstrating against the passage of the same bill, which I ask may lie on the table and be noted in the Record.

There being no objection, the telegrams were ordered to lie on the table and to be noted in the Record, as follows:

From Lamont Rowlands, chairman, Joseph C. Mason, secretary, William H. Colvin, James J. Sheridan, Mrs. Lydia A. Conley Ward, Avery Conley, E. M. Botsford, of the Illinois Branch of the National League for Medical Freedom, of Chicago, Ill.; E. S. Harmer, of Berwyn, Ill.; F. M. Ferris, of Crescent City, Ill.; Frederick A. Gale, of Chicago, Ill.; Fletcher B. Gibbs, president Chicago Stationers' Association, of Chicago, Ill.; the Medical Advance of Batavia, Ill.; Mr. and Mrs. C. S. Merrick, of Riverside, Ill.; Mrs. Leslie E. Kelley, of Chicago, Ill.; A. Crow, A. Hoyt, A. Bartelson, Z. Bartelson, C. Booth, Ira Booth, Alva Booth, M. Crandall, A. Abramson, J. Greiner, H. Warner, F. Esser, R. Earley, H. Warner, I. Booth, D. Crook, L. Davies, G. Ayers, C. Grant, A. Fredehagen, Arthur Root, William Crook, William Roger, J. Hoerlein, C. Mann, S. Rogers, G. Pemberton, E. Weeks, R. Harris, Arthur Roger, I. Judd, S. Bond, J. Kautz, J. Burrows, E. Earley, O. Park, M. Mann, G. Harris, M. Kautz, George Bond, John Burrows, C. Harris, A. Allen, T. Park, A. Forest, I. Booth, C. Earley, of Geneva, Ill.; Mrs. Edward L. Griswold, of Santa Barbara, Cal.; Mrs. William R. Page, of Santa Barbara, Cal.; Frederick W. Root, Albert K. Root, and Malcolm M. Root, of Chicago, Ill.; Walter E. Elfinck, D. O., president, Arthur H. Tuttle, D. O., secretary, of the Chicago Osteopathic Association, of Chicago, Ill.; H. E. Crankshaw, of Chicago, Ill.; Mrs. Rebecca Hardin, Edith M. Boyles, and Alma Hardin, of Winnetka, Ill.; and Lawrence Emmons, jr., of Quincy, Ill.

Mr. CULLOM presented a petition of Square Deal Lodge, No. 752, Brotherhood of Railroad Trainmen, of Chicago, Ill., and a petition of Local Division No. 83, Order of Railway Conductors, of Galesburg, Ill., praying for the passage of the so-called employers' liability and workmen's compensation bill, which were ordered to lie on the table.

He also presented a petition of the congregation of the Methodist Episcopal Church of Davis Junction, Ill., praying for the enactment of an interstate liquor law to prevent the nullification of State liquor laws by outside dealers, which was referred to the Committee on the Judiciary.

He also presented memorials of sundry citizens of Louisville, Chicago Heights, Galesburg, Chestnut, and Alton, all in the State of Illinois, remonstrating against the establishment of a department of public health, which were ordered to lie on the table.

Mr. JOHNSON of Maine presented a petition of 21 citizens of Waterville and Fairfield, in the State of Maine, praying for the enactment of legislation to regulate the method of directing the work of Government employees, which was referred to the Committee on Education and Labor.

Mr. BRANDEGEE. I present a memorial numerously signed by members of the Arkwright Club of New England, remonstrating against the adoption of the so-called Covington amendment to the bill to regulate the passage of vessels through the Panama Canal. I have received a number of these memorials, and I ask that one of them be printed in the Record, omitting the signatures.

There being no objection, the memorials were referred to the Committee on Inter-oceanic Canals, and the body of one of the memorials was ordered to be printed in the Record, as follows:

We, the undersigned, members of the Arkwright Club, being actively interested in the manufacture of cotton goods in New England, understand that the Covington amendment, so called, to the bill now before Congress regulating the passage of vessels through the Panama Canal provides that "it shall be unlawful for any railroad company or other common carrier, subject to the act to regulate commerce, to own, lease, operate, control, or have any interest whatsoever, directly or indirectly, in any common carrier by water with which said railroad does or may compete for traffic."

We believe in the regulation of common carriers by the Government and in the authority granted to the Interstate Commerce Commission. We do not, however, believe in such restriction or limitation of investment in or the development of steamship lines or coastwise trade generally as this amendment provides.

We deem it especially important for the great industries of New England that under proper restrictions railroads should be allowed to